

*United States Court of Appeals
for the
District of Columbia Circuit*



**TRANSCRIPT OF
RECORD**

542

BRIEF FOR APPELLANT AND JOINT APPENDIX

United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT
United States Court of Appeals
for the District of Columbia Circuit

No. 22,093

FILED JUL 29 1968

Nathan J. Paulson
CLERK

CELANESE CORPORATION, *Appellant*

v.

EDWARD J. BRENNER, COMMISSIONER OF PATENTS,
Appellee

Appeal From the United States District Court for the
District of Columbia

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QUESTION PRESENTED FOR REVIEW

The question presented calls for a construction of this court's own decision in *Monsanto Company v. Kamp*, 123 App. D.C. 365; 360 F. 2d 499 (1965). Specifically did the court below commit reversible error in its refusal to find that the Vaccaro reissue application based on one of two coexisting conflicting patents presents an unusual case which exempts it from the proscription on the authority of the Commissioner of Patents laid down by this court in the *Monsanto* case and in dismissing plaintiff's complaint?

This case has not previously been before this court.

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United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 22,093

CELANESE CORPORATION, *Appellant*

v.

EDWARD J. BRENNER, COMMISSIONER OF PATENTS,
Appellee

Appeal From the United States District Court for the
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BRIEF FOR APPELLANT

JURISDICTIONAL STATEMENT

Jurisdiction of this action and appeal is founded upon 5 USC § 701 to 706 and 28 USC § 1338. Appellee is the Commissioner of Patents. Appellant Celanese is the assignee of Vaccaro reissue application Serial No. 339,569 based on original patent 3,082,735 [JA 4].

STATEMENT OF THE CASE

This is an appeal from so much of the Order of the District Court (Corcoran) of July 2, 1968 as dismisses Plaintiff's (Celanese) complaint [JA 39].

The following statement is believed to set forth all of the facts necessary to a determination of this appeal.

On December 18, 1962 there issued United States Owens patent 3,068,528 assigned to E. I. duPont de Nemours and Company (duPont). On March 26, 1963, a second United States patent, disclosing conflicting subject matter, issued to Vaccaro, patent 3,082,735, now owned by Celanese, on which reissue application No. 339,569 was filed.

On October 23, 1964 interference 94,608 was declared between the Owens patent 3,068,528, assigned to duPont, and the Vaccaro reissue application Serial No. 339,569 [JA 4].

On November 29, 1967 the Board of Patent Interferences awarded priority to Vaccaro (Celanese) [JA 24] and on rehearing adhered to that award by decision of January 23, 1968 [JA 25].

On February 21, 1968 the defeated patentee Owens (duPont) elected to seek a review of the Board of Patent Interferences' award of priority to Vaccaro (Celanese) under Title 35 USC § 146 by filing Civil Action No. 68-723 in the Federal District Court for the Southern District of New York [JA 6].

On March 11, 1968 Celanese petitioned the Commissioner of Patents to return its Vaccaro reissue application Serial No. 339,569 to the examining group for the forthwith grant of the reissue patent [JA 26]. On April 1, 1968 the Commissioner of Patents denied Celanese's petition on the asserted authority of this Court's decision in *Monsanto Company v. Kamp*, 123 App. D.C. 365; 360 F. 2d 499 (1965), and stating *inter alia*:

"The petitioner here acknowledges that decision but contends that it is not applicable here because the

application involved is for reissue so that the term of the patent sought to be reissued is running and intervening rights may accrue to others during the delay caused by the civil action.

"This argument is persuasive and there is no doubt that the equities are different when a reissue, rather than an original application, is involved but the language used by the court in the Monsanto case is thought to be such as to allow the Patent Office no discretion.

• • • • •
"Any departure from that categorical pronouncement must be made by the court rather than by the Patent Office, and the petition must accordingly be denied." [JA 29 & 30] [Emphasis added]

On April 12, 1968 Celanese filed in the District Court for the District of Columbia, Civil Action 905-68 under Title 5 USC § 701-706, specifically § 702, seeking judicial review of the Commissioner's action [JA 3]. The complaint was amended to pray the court only—

"To adjudge and decree that under the circumstances of this case, the Commissioner of Patents has the authority under 35 USC 135 to reissue Plaintiff's patent irrespective of the pendency of the Civil Action by duPont seeking a review and reversal of the decision of the Board of Patent Interferences;" [JA 31 & 36] [Emphasis added]

The Defendant Commissioner of Patents moved to dismiss the complaint [JA 32] asserting *inter alia*:

"In view of Monsanto, the Court is without authority to grant the relief requested, and the complaint should accordingly be dismissed." [JA 35]

The District Court, following the hearing on June 27, 1968, made an oral ruling as follows:

"THE COURT: Well, notwithstanding the obvious equitable considerations in this case, I think I am

bound by the Monsanto case. I do not see how I can get around it.

"The essence of that case is you cannot have two patents outstanding at the same time. I equate 'reissue' with 'original issue.' I do not know how I can possibly get around the Monsanto case. *I think it is going to have to go back to a court which is provided for these unusual circumstances and see what they can do with it.*

"So, I am going to grant the Solicitor's motion for dismissal." [JA 38] [Emphasis added]

On July 2, 1968 the District Court entered a formal Order granting the motion to dismiss the complaint and vacating an earlier order granting the defeated interfering party duPont's motion to intervene [JA 39 & 40].

The sole issue on this appeal is:

Does this court's decision in *Monsanto Company* foreclose the District Court from taking appropriate action authorizing the Commissioner of Patents to grant the Vaccaro reissue patent prior to a final judgment in the civil action under Title 35 USC 146 now pending in the Southern District of New York?

STATUTES AND PATENT OFFICE RULES INVOLVED

Relevant statutory provisions are contained in Title 35 USC Sections 135, 251 and 252. Also pertinent are Rules 176 and 201(a) and (b) of the Patent Office Rules of Practice.

The relevant statutory provisions read:

"§ 135. Interferences

(a) Whenever an application is made for a patent which, in the opinion of the Commissioner, would interfere with any pending application, or with any unexpired patent, he shall give notice thereof to the applicants, or applicant and patentee, as the case may be. The question of priority of invention shall be

determined by a board of patent interferences (consisting of three examiners of interferences) whose decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent Office of the claims involved, and the Commissioner may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute cancellation of the claims involved from the patent, and notice thereof shall be endorsed on copies of the patent thereafter distributed by the Patent Office."

"§ 251. Reissue of defective patents

Whenever any patent is, through error without any deceptive intention, deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent, the Commissioner shall, on the surrender of such patent and the payment of the fee required by law, reissue the patent for the invention disclosed in the original patent, and in accordance with a new and amended application, for the unexpired part of the term of the original patent. No new matter shall be introduced into the application for reissue.

"The Commissioner may issue several reissued patents for distinct and separate parts of the thing patented, upon demand of the applicant, and upon payment of the required fee for a reissue for each of such reissued patents.

"The provisions of this title relating to applications for patent shall be applicable to applications for reissue of a patent, except that application for reissue may be made and sworn to by the assignee of the entire interest if the application does not seek to enlarge the scope of the claims of the original patent.

"No reissued patent shall be granted enlarging the scope of the claims of the original patent unless applied for within two years from the grant of the original patent."

“§ 252. Effect of reissue

The surrender of the original patent shall take effect upon the issue of the reissued patent, and every reissued patent shall have the same effect and operation in law, on the trial of actions for causes thereafter arising, as if the same had been originally granted in such amended form, but in so far as the claims of the original and reissued patents are identical, such surrender shall not affect any action then pending nor abate any cause of action then existing, and the reissued patent, to the extent that its claims are identical with the original patent, shall constitute a continuation thereof and have effect continuously from the date of the original patent.

“No reissued patent shall abridge or affect the right of any person or his successors in business who made, purchased or used prior to the grant of a reissue anything patented by the reissued patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased or used, unless the making, using or selling of such thing infringes a valid claim of the reissued patent which was in the original patent. . . .”

The relevant Patent Office Rules read:

“176. Examination of reissue. An original claim, if re-presented in the reissue application, is subject to reexamination, and the entire application will be examined in the same manner as original applications, subject to the rules relating thereto, excepting that division will not be required. Applications for reissue will be acted on by the examiner in advance of other applications.”

“201. Definition, when declared. (a) An interference is a proceeding instituted for the purpose of determining the question of priority of invention between two or more parties claiming substantially the same patentable invention and may be instituted as soon as it is determined that common patentable subject matter is claimed in a plurality of applications or in an application and a patent.

"(b) An interference will be declared between pending applications for patent, or for reissue, of different parties when such applications contain claims for substantially the same invention, which are allowable in the application of each party, and interferences will also be declared between pending applications for patent, or for reissue, and unexpired original or reissued patents, of different parties, when such applications and patents contain claims for substantially the same invention which are allowable in all of the applications involved, in accordance with the provisions of these rules."

STATEMENT OF POINTS

The points to be relied upon by Celanese are as follows:

- (1) The court erred as a matter of law in a strict application of this court's decision in *Monsanto Company v. Kamp* to the present case;
- (2) The court erred in failing to recognize that where two conflicting patents already coexist and one of them is sought to be reissued for its unexpired term giving rise to an interference in which the Patent Office awards priority to the reissue applicant an unusual case exists which exempts it from the proscription of *Monsanto Company v. Kamp*.
- (3) The court erred in failing to recognize that the decision in *Monsanto Company v. Kamp* does not foreclose the Commissioner of Patents from preventing a continuing forfeiture of a significant part of the effective term of a reissue patent.
- (4) The sole issue being one of law the court erred in failing to summarily grant the relief prayed in the complaint essentially in the form of Celanese's submitted proposed order [JA 37].

ARGUMENT

In the *Monsanto* case this court had before it an original application which upon grant of the patent would provide a full seventeen year term.

In the case at bar the grant of the original Vaccaro patent dates from March 26, 1963. Under Title 35 USC § 251 a reissue of that patent will be only "for the unexpired part of the term of the original patent." Over five and a third years of the seventeen year term of the original patent has already expired.

Under Title 35 USC § 252—

"No reissued patent shall abridge or affect the right of any person or his successors in business who made, purchased or used prior to the grant of a reissue anything patented by the reissued patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased or used unless the making, using or selling of such thing infringes a valid claim of the reissued patent which was in the original patent . . ."

The likelihood of accrual of statutory intervening rights can essentially vitiate the value of any protection afforded by a new claim in a belatedly granted reissue patent.

It is because of the diminishing term of the original patent and the likelihood of the accrual of statutory intervening rights that Patent Office Rule 176 recognizes that a reissue application presents an unusual case by expressly providing:

"Applications for reissue will be acted on by the examiner in advance of other applications."

In the case at bar pursuant to Patent Office Rule 201, Celanese's Vaccaro reissue application was acted on by the examiner as a condition precedent to the declaration of the interference with duPont's Owens patent. Rule 201 provides *inter alia*:

"interferences will also be declared between pending applications for patent, or for reissue, and unexpired

original or reissued patents, of different parties, when such applications and patents contain claims for substantially the same invention *which are allowable in all of the applications involved*, in accordance with the provisions of these rules." [Emphasis added]

Celanese's original patent will not be surrendered under Section 251 until the reissue patent is granted. The original Owens patent and the original Vaccaro patent continue to coexist.

The interference declared between Celanese's Vaccaro reissue application and duPont's Owens patent resulted in a presumptively correct award of priority to the reissue applicant. Consistent with the reissue statute and the spirit of Patent Office Rule 176, Celanese requested early return of its reissue application to the Examining Group for prompt grant of the reissue patent.

In his April 1, 1968 decision refusing Celanese's request, the Commissioner recognized—

"... there is no doubt that the equities are different when a reissue rather than an original application, is involved...." [JA 29]

The Commissioner also stated that "Any departure from the categorical pronouncement" in the *Monsanto* case "must be made by the court" [JA 30]. In keeping with the Commissioner's statement Celanese applied to the District Court for a judicial review of the Commissioner's action.

The court below, following argument on the sole issue of the case, stated:

"THE COURT: Well, notwithstanding the obvious equitable considerations in this case, I think I am bound by the *Monsanto* case. I do not see how I can get around it.

"The essence of that case is you cannot have two patents outstanding at the same time. I equate 'reissue' with 'original issue.' I do not know how I can possibly get around the *Monsanto* case. *I think it is going to have to go back to a court which is pro-*

vided for these unusual circumstances and see what they can do with it.

“So, I am going to grant the Solicitor’s motion for dismissal.” [JA 38] [Emphasis added]

The majority opinion of this court in the *Monsanto* case restricts the proscription on the authority of the Commissioner to the circumstances of that case. Indeed, this court said:

“. . . Assuming, *arguendo*, Congress has some power with respect to issuance of a patent in some circumstances where one patent is already outstanding, Congress has not authorized a second patent *in the circumstances shown here.*” [Emphasis added]

—Quoting *Monsanto Company v. Kamp*, 360 F. 2d 499, 501.

In *Monsanto* this court was dealing with the original grant of a second patent for a full seventeen year term and not with the reissuance of one of two outstanding conflicting patents to provide adequate protection for the invention thereof only “for the unexpired part of the term of the original patent.”

The majority opinion in *Monsanto* further recognizes that the proscription on the authority of the Commissioner does not extend to unusual cases. That opinion in reference to the legislative history of Section 135 states:

“The Senate Report said: ‘But even when appeal to the court is taken, in many cases it is possible to grant a patent immediately to the winning party without prejudicing the appeal, and in such cases the Commissioner can so grant the patent immediately.’ The reference is apt when applied to a case of two applicants,* and perhaps in unusual cases, but it is a far cry from a declaration of power in the Commissioner in any and all cases; . . .” [Emphasis added]

—Quoting *Monsanto Company v. Kamp*, 360 F. 2d 499, 502.

* This situation was passed on by this court in *Monaco v. Watson*, 106 App. D.C. 142, 270 F. 2d 335 (1959).

When two conflicting patents coexist and a reissue of one of them is sought to provide more adequate protection for its disclosed invention which results in an interference between the reissue application and the other of the two conflicting patents in which the Patent Office awards priority to the reissue applicant, an unusual case is presented. Such a situation results from a series of inadvertences, first the inadvertence in the issuance of the two coexisting patents and second the inadvertence of the reissue applicant in failing to secure in his original patent adequate protection for his disclosed invention.

There is no basis to contend that Congress intended to prohibit the Commissioner from correcting inadvertent errors in such a manner as to avoid the forfeiture of perhaps the most significant part of the term of an inventor's protection.

Celanese has not prayed that the Commissioner be directed to do anything. The prayer seeks only a decree that under the circumstances of this case the Commissioner has the authority to reissue the Vaccaro patent.

Concurrent existence of duPont's original Owens' patent and Celanese's reissue of the Vaccaro patent containing a common claim presents no irremedial problem. Indeed, since Section 135 now provides for cancellation of the interfering claim of a defeated patentee, courts may and do stay infringement actions, based on an interfering patent claim until a final favorable judgment in the interference proceeding. *Research Corporation v. Radio Corporation of America*, 181 F. Supp. 709 (D. Del. 1960); *Childers Foods, Inc. v. Rockingham Poultry Marketing Coop., Inc.*, 203 F. Supp. 794 (W.D. Va. 1962).

It follows that the grant to Celanese of a Vaccaro reissue patent need not *ipso facto* give rise to duplicate concurrently enforceable claims in two independently held patents. Indeed, it is within the province of this court to direct imposition on Celanese of restraints that will

foreclose even the filing of an infringement suit based on a claim in a Vaccaro reissue patent involved in interference with duPont's Owens patent until entry of a final judgment in the Section 146 Civil Action upholding the Patent Office award of priority to Vaccaro. As a matter of fact, Celanese presented to the court below a proposed order, acceptable in form, to the Patent Office Solicitor, which would clearly avoid any time interval during which suits for infringement under duplicate claims could be prosecuted.*

* Celanese's proposed order would decree:

- “(1) THAT under the conditions of this order, Defendant Brenner, Commissioner of Patents, is not precluded by *Monsanto Company v. Kamp*, 360 F. 2d 499 (D.C. Cir. 1965) from granting a reissue of the Plaintiff's Vaccaro patent number 3,082,735.
- “(2) THAT the Plaintiff Celanese, its successors and assigns, are restrained and enjoined from instituting an action for infringement of any claim corresponding to the count in Interference 94,608 until there has been a final determination in Plaintiff Celanese's favor as to priority of the invention of the count in Interference 94,608 in the action under 35 U.S.C. 146 now pending in the United States District Court for the Southern District of New York, Civil Action No. 68-723, in which event Plaintiff Celanese shall not thereafter be foreclosed from recovering for infringement of any and all claims in the reissue patent from the date of its reissue, the same as if this restraining order had not been in effect.
- “(3) WHEN and if a final judgment is rendered in said Civil Action No. 68-723, from which no appeal is or can be taken, and which affirms the decision of the Board of Patent Interferences awarding priority of the count of the interference to Vaccaro, this injunction and restraining order shall forthwith be dissolved. The restraint imposed by this order does not reach to any original claim of the Vaccaro patent.
- “(4) Defendant's Motion to dismiss is denied.”

* * * * *

“Approved as to Form:

s/ JOSEPH SCHIMMEL
Joseph Schimmel, Solicitor
Attorney for Edward J. Brenner
Commissioner of Patents” [JA 37 & 38]

In this unusual case the mere existence of a granted Vaccaro reissue patent will occasion no derogation of the rights of duPont under its Owens patent, beyond the presumptive correctness of the Patent Office's award of priority to Celanese's Vaccaro reissue application. *Morgan v. Daniels*, 153 U.S. 120, 124, 125 (1894); *Esso Standard Oil Co. v. Sun Oil Co.*, 97 App. D.C. 154; 229 F. 2d 37, 40 (1956); *Union Carbide Corp. v. Traver Investments, Inc.*, 238 F. Supp. 540 (S.D. Ill. 1965); *Philco Corp. v. Radio Corporation of America*, 276 F. Supp. 24 (D. Del. 1967). Indeed, duPont's shadowy exclusivity of right under the Owens patent can persist until a final judgment in the Section 146 action upholding the presumptive correctness of the Patent Office award of priority to Vaccaro.

The Patent Office Rules of Practice recognize that a reissue application presents an unusual case. Section 135, relating to interferences, is not a penal statute and should not be so applied as to impose a penalty in the form of a continuing indeterminate forfeiture of a significant part of the term of a reissue patent.

Statutes are not to be extended by inference or amplification where the result amounts to imposition of a penalty (50 Am. Jur. Stat. 414).

Section 251 is controlling as to the right to a reissue patent and there is no clear and unambiguous language in Section 135 foreclosing the grant of a reissue patent during pendency of a Section 146 Civil Action (50 Am. Jur. Stat. 397).

Courts can and do safeguard against prosecution of multiple infringement suits.

Any District Court in which an infringement action might be filed by Celanese based on a Vaccaro reissue patent or for that matter filed by duPont based on the Owens patent can stay such action until a final judgment is entered in the pending Section 146 Civil Action in the Southern District of New York.

Furthermore, this court may direct the court below to include in its decree a restraining order foreclosing an infringement suit on a new claim of a Vaccaro reissue patent pending a final favorable judgment in the Section 146 Civil Action.

In the unlikely event that the presumptively correct Patent Office award of priority to Celanese's reissue application is overthrown in the Section 146 Civil Action, the new claim of a Vaccaro reissue patent will be canceled by operation of law under Section 135. Thus, the public interest is amply safeguarded regardless of the outcome of the Section 146 Civil Action.

In the court below, Defendant conceded that ". . . the only issue is whether the Commissioner's discretion has been foreclosed by the decision of the Court of Appeals in *Monsanto v. Kamp et al.*, 123 U.S. App. D.C. 365, 360 F. 2d 499." [JA 36]

It is intolerable to resort to procedural technicalities in an effort to foreclose substantial justice. There is no factual dispute in this case. Even the case of *Yuba Consolidated Gold Fields v. Kilkeary*, 206 F. 2d 884, 889 (CA 9, 1953), cited to the court below by the Commissioner, the Ninth Circuit Court of Appeals in reversing an order dismissing the bill said:

"If the bill alleges a situation authorizing a bill of peace, equity jurisdiction will be recognized and a motion to dismiss will be denied."

Both the Commissioner and the court below have recognized the merit of Celanese's position. However, both have erred in equating the circumstances of this case to those before this Court in the *Monsanto* case. Inasmuch as this court imposed the restriction on the authority of the Commissioner as laid down in the *Monsanto* decision, it is quite understandable that the lower tribunals have left to this court a determination that the restriction on the power of the Commissioner appropriate to the circum-

stances of *Monsanto* does not foreclose the authority of the Commissioner to grant to Celanese a reissue of the Vaccaro patent for the unexpired term of the original patent.

Since the sole issue in this case is one of law restricted to construction of a decision of this court, the case is ripe for summary disposition granting the relief prayed by appropriate order such for example as Celanese's submitted proposed order [JA 37 & 38].

CONCLUSION

It is self-evident that this court in *Monsanto* did not have before it or pass upon an unusual case such as the case at bar. Neither the Congress nor this court has foreclosed the discretion of the Commissioner in the matter of granting a reissue patent during the pendency of a civil action under Title 35 USC 146. Adequate safeguards of the public interest exist without invoking on Celanese an indeterminate continuing forfeiture of a significant part of the term of a reissue of its March 26, 1963 patent 3,082,735.

Celanese therefore prays that in the interest of justice this court issue an appropriate mandate authorizing the District Court to exclude this unusual case from the proscription on the discretion of the Commissioner as laid down in the *Monsanto* decision.

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Civil Docket**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

1968 Deposit for cost by

Apr. 12—Complaint, appearance, Exhibits A thru E filed

Apr. 12—Summons, copies (3) and copies (3) of Complaint issued ser 4-15; D.A. ser 4-15; Atty Gen ser 4-17

May 16—Motion of pltf. to amend complaint; c/m 5-16; M.C. filed

May 29—Motion of E. I. duPont de Nemours & Co. to intervene; P&A; exhibit 1A; Exhibits A, 1, & A thru G; c/m 5-29; M.C.; appearance of Allan J. Topol; deposit by Topol \$5.00. filed

June 3—Motion of deft. to dismiss; P&A; c/m 5-20; M.C. filed

June 7—Opposition of deft. to motion to intervene; P&A; c/m 6-6. filed

June 10—Motion of pltf. for summary judgment; opposition to deft's motion to dismiss and opposition to motion to intervene; c/m 6/10/68; M.C. filed

June 12—Order granting E. I. du Pont de Nemours & Company leave to intervene as party deft. (N) Curran, C.J.

June 13—Answer of deft.-intervenor to complaint; appearance of Allan J. Topol, Covington & Burling. filed

June 13—Motion of deft.-intervenor to dismiss complaint; P&A; exhibits A thru G; c/m 6-13; M.C. filed

June 17—Motion of pltf. to reconsider order granting deft.-intervenor's motion to intervene; P&A; c/s 6-17-68; M.C. filed

June 17—Points & Authorities of pltf. regarding deft.-intervenor's application under 12(d); c/m 6-17-68. filed.

June 20—Opposition of deft.-intervenor to pltf's motion to reconsider order of 6-12-68; c/m 6-20. filed

June 20—Opposition of deft.-intervenor to pltf's motion for summary judgment statement; c/m 6-20. filed

June 20—Order striking Paragraph (b) of the prayer appearing on the last page of the complaint. (N) Micro 6-21-68. Curran, C.J.

June 27—Appearance of Carroll C. Harper, Ward, McElhannon, Brooks and Fitzpatrick, as attorney for deft.-intervenor. filed

June 27—Unsigned "Final Judgment and Restraining Order." filed

June 28—Opposition of deft. to proposed order of deft.-intervenor; c/m 6-28. filed

July 1—Transcript of proceedings 6-27-68, Vol. 1, pp. 1 thru 21. (reported by Eva Marie Sanche. Court's copy.) filed

July 2—Order granting deft. Edward J. Brenner, Commissioner of Patents' motion to dismiss; withdrawing pltf's motion for summary judgment on request of the pltf; vacating the ex parte order permitting intervention by E. I. du Pont de Nemours, and deeming the motion of E. I. du Pont de Nemours as moot. (N) Corcoran, J.

July 3—Notice of appeal of pltf; deposit by Burns \$5.00. (copy mailed to Joseph Schimmel) filed

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

Civil Action No.

CELANESE CORPORATION,
522 Fifth Avenue, New York, New York 10036,
Plaintiff,

v.

EDWARD J. BRENNER, Commissioner of Patents,
Defendant.

Complaint in the Nature of a Petition for a Writ of Mandamus

Now comes the Plaintiff seeking an order from the Court that the Commissioner of Patents has the authority under 35 USC 135 to immediately reissue a patent to Plaintiff on its application Serial No. 339, 569 and to order the Commissioner of Patents to promptly take such steps to effectuate the reissuance of Plaintiff's patent at an early date.

This action being in the nature of a Petition for a Writ of Mandamus and because irreparable damage to Plaintiff is occurring as appears hereafter, and, inasmuch as the sole issue is one of law, it is requested that the case be set for hearing at the earliest date convenient to the Court.

Plaintiff by its attorneys complains and alleges as follows:

1.

The Plaintiff, herein, Celanese Corporation, is a Delaware Corporation having a principal office at 522 Fifth Avenue, New York City, New York.

2.

Defendant Edward J. Brenner is the Commissioner of Patents whose official residence is Washington, D. C. 20231.

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3.

Jurisdiction of this Court is based on 28 USC 1338 and 5 USC 701 to 706.

4.

Plaintiff is the sole owner by mesne assignment of the entire right, title and interest in and to United States Patent No. 3,082,735, issued March 26, 1963, and an application for reissue of said patent, namely, application Serial No. 339,569, filed December 16, 1963, both the patent and reissue application being filed in the name of Angelo Vaccaro as inventor.

5.

On October 23, 1964, the United States Patent Office declared Interference No. 94,608 between Plaintiff's said reissue application Serial No. 339,569 and United States Patent No. 3,068,528 issued December 18, 1962 to E. I. duPont deNemours and Company (duPont), a Delaware Corporation having a place of business in Wilmington, Delaware, John Edward Owens being the inventor named in the duPont patent.

6.

The said Interference No. 94,608 involved a Count reading as follows:

A process for transporting a plastic film which comprises passing the plastic film in proximity to but out of contact with at least one electrode and then onto an electrically grounded moving surface; establishing a non-uniform electrostatic field gradient between said electrode and the film to deposit on the upper surface of said film an electrostatic charge sufficient to cause said film to adhere firmly to said moving surface.

7.

Plaintiff's inventor Vaccaro, who at the time of the declaration of the Interference was Junior Party, moved to shift the burden of proof to duPont's inventor Owens based upon an earlier Vaccaro application Serial No. 631,583, filed December 31, 1956 of which the application resulting in Plaintiff's patent No. 3,082,735 was denominated a continuation-in-part.

8.

DuPont's inventor Owens moved to dissolve the Interference on various grounds which are summarized in the Primary Examiner's Decision on Motions dated November 18, 1965, a copy of which is appended hereto as Exhibit A. Among the grounds was that Vaccaro had no right to make the count, alleging that it was not supported by the original disclosure, particularly with respect to the limitation "establishing a non-uniform electrostatic field gradient between said electrode and the film."

9.

Vaccaro presented evidence in the form of references to text books to show inherency of the limitation in the operation of the apparatus disclosed and illustrated in the application.

10.

For reasons set forth in Exhibit A the Primary Examiner denied Owens' motion, holding among other things that the method of the Count as referred to in Paragraph 6, supra, was inherently performed by the structure disclosed by Vaccaro.

11.

Vaccaro's Motion to Shift the Burden of Proof, based upon his 1956 application, was granted.

12.

Owens petitioned for reconsideration but the Primary Examiner adhered to the position set forth in the Decision on Motions, Exhibit A.

13.

On February 28, 1966 Owens, who was Junior Party by virtue of the granting of Vaccaro's Motion to Shift, was placed under order to show cause why judgment on the record should not be entered against him inasmuch as his preliminary statement had alleged no date earlier than the December 15, 1956 filing date of Vaccaro's said application Serial No. 631,583.

14.

Owens thereupon requested a final hearing on the issues of Vaccaro's right to make the Count and on the propriety of granting the motion to shift the burden of proof.

15.

Neither party took testimony and the final hearing was duly set, briefs filed, and oral arguments heard.

16.

The Board of Patent Interferences, in a decision dated November 29, 1967, a copy of which is annexed hereto as Exhibit B, and adhered to in a decision on reconsideration dated January 23, 1968, a copy of which is annexed hereto as Exhibit C, adjudged Plaintiff's inventor Angelo Vaccaro to be the prior inventor of the aforesaid Count.

17.

On February 21, 1968 duPont filed a Civil Action against Plaintiff Celanese and others under 35 USC 146 in the United States District Court for the Southern

District of New York, Civil Action No. 68-723 seeking judicial review and reversal of the aforesaid decisions by the Board of Patent Interferences.

18.

On March 8, 1968 Plaintiff filed a request with the Patent Interference Examiner seeking to have its reissue application Serial No. 339,569 returned to the appropriate Examining Group in order that the reissue patent be issued promptly. The request was denied based on *Monsanto Company v. Kamp et al.*, 360 F. 2d 499; 1965 C.D. 645; 146 USPQ 431 (C.A.D.C. 1965).

19.

On March 11, 1968 Plaintiff petitioned the Commissioner of Patents again requesting that Plaintiff's reissue application Serial No. 339,569 be returned to the appropriate Examining Group in order that the reissue patent be issued promptly. A copy of the Petition is attached as Exhibit D.

20.

On April 1, 1968 First Assistant Commissioner Reynolds denied Plaintiff's Petition on the ground that *Monsanto* allowed the Patent Office no discretion and that "Any departure from the categorical pronouncement must be made by the court rather than by the Patent Office . . ." A copy of the Denial is attached as Exhibit E.

21.

The method of the aforesaid Interference Count is of significant and substantial commercial importance and is in actual use. The method has many advantages over alternate methods, including greatly increased rates of film production, improved quality and uniformity of product, reduced reject film, more utilizable recovered scrap and trimmings and reduced cost of film production.

Upon information and belief, duPont and others have been and are currently using said method.

22.

On information and belief duPont is about to materially increase its number of machines for practice of the method in the manufacture of film.

23.

In practicing the method of the aforesaid Interference Count it is not necessary that any of the claims in Plaintiff's original patent No. 3,082,735 be infringed.

24.

Damages to Plaintiff for infringement of the method of the aforesaid Interference Count cannot begin to accrue until and unless Plaintiff's reissue patent is granted. Upon information and belief, such damages amount to at least several thousand dollars each day. Every day of delay in reissuing the patent results in loss of recovery for infringement, hence constituting irreparable damage to Plaintiff.

25.

The term of a reissue patent is measured from the date of the grant of the original patent, which in this instance is March 26, 1963. Thus, every day of delay in the reissuance of Plaintiff's patent causes an irreparable loss in the life or term of the reissue patent once it is granted. Delay in reissuing Plaintiff's patent also increases the intervening rights to others which may be accruing, thereby irreparably limiting the value of Plaintiff's reissue patent once it is granted.

26.

The present factual situation differs from that of the *Monsanto* case, which was an Interference between a patent and an original application of Kamp et al., no reissue

application being involved. In *Monsanto*, if the applicants Kamp et al. ultimately prevailed, any patent issuing to them would have the enjoyment of the full seventeen year term. No curtailment or irrevocable loss of Patent Rights would occur as here.

27.

The immediate reissuance of Plaintiff's patent is not in conflict with *Monsanto*. The Court in *Monsanto* did not preclude the issuance of a second patent in unusual cases.

"Assuming, *arguendo*, Congress has some power with respect to issuance of a patent in some circumstances where one patent is already outstanding, Congress has not authorized a second patent *in the circumstances shown here*.

* * * * *

"The Senate Report said: 'But even when appeal to the court is taken, in many cases it is possible to grant a patent immediately to the winning party without prejudicing the appeal, and in such cases the Commissioner can so grant the patent immediately.' The reference is apt when applied to a case of two applicants, and perhaps in unusual cases, but it is a far cry from a declaration of power in the Commissioner in any and all cases; indeed the language 'in many cases it is possible' negates instead of affirms a general power."

—Quoting *Monsanto*, 360 F. 2d 499, at 501, 502.

28.

The present case is in the unusual category. Irreparable losses are being sustained. DuPont's Civil Action means inevitable further delay and consequent loss to Plaintiff which can only be minimized by the immediate reissuance of Plaintiff's patent.

THEREFORE, Plaintiff prays the Court as follows:

- (a) To adjudge and decree that under the circumstances of this case, the Commissioner of Patents has the authority under 35 USC 135 to reissue Plaintiff's patent irrespective of the pendency of the Civil Action by duPont seeking a review and reversal of the decisions of the Board of Patent Interferences;
- (b) To order the Commissioner of Patents in accordance with his authority under 35 USC 135 to immediately return Plaintiff's application Serial No. 339,569 to the appropriate Examining Group and to promptly take such steps as are necessary for early reissuance of patent No. 3,082,735; and
- (c) To issue such further orders and take such action as equity and justice require.

CELANESE CORPORATION

By W. L. BENEDICT

W. L. Benedict

Attorney for the Plaintiff

BURNS, DOANE, BENEDICT,

SWECKER & MATHIS

815 Connecticut Avenue

Washington, D. C.

Tel. 298-9185

April 12, 1968

EXHIBIT A

U. S. DEPARTMENT OF COMMERCE
PATENT OFFICE
WASHINGTON

Interference No. 94,608

VACCARO

v.

OWENS

Burns, Doane, Benedict,
Swecker and Mathis
815 Connecticut Ave.
Washington, D. C. 20006

Please find below a communication from the Examiner in this case.

Commissioner of Patents.

Decision on Motions

I. The party Owens moves to dissolve on the grounds:

- (1) that the party Vaccaro has no right to make the count as it is not supported by his original disclosure; and
- (2) that the party Vaccaro is not entitled in his application Serial No. 339,569 for a reissue of U.S. Patent No. 3,082,735 as to the count because:
 - (a) the original patent is not wholly or partly inoperative or invalid;
 - (b) the party Vaccaro acquiesced in the rejection of, and withdrew by amendment, one or more claims of a scope corresponding to or narrower than the count during prosecution leading to the grant of his original patent;
 - (c) the party Vaccaro did not exhaust all available remedies to obtain claims corresponding to the count before accepting his original patent;

- (d) the count is drawn to a different invention than that claimed in the party Vaccaro's original patent; and
- (e) the count is barred to the party Vaccaro under 35 U.S.C. 102 (b).

II. The party Vaccaro moves to shift the burden of proof on the ground that he is entitled to the benefit of the filing date of his application Serial No. 631,583, filed December 31, 1956.

III. The party Vaccaro moves, contingent upon the granting of the party Owens' motion to dissolve, to amend the issue by substituting proposed Count A.

THE INVENTION AT ISSUE

The invention at issue is a process for transporting a plastic film. The plastic film is passed in proximity to an electrode and then onto a moving, electrically grounded surface. A non-uniform electrostatic field gradient is established between the electrode and the film so as to deposit an electrostatic charge on the upper surface of the film to thereby cause the film to adhere to the moving, grounded surface.

THE COUNT

A process for transporting a plastic film which comprises passing the plastic film in proximity to but out of contact with at least one electrode and then onto an electrically grounded moving surface; establishing a non-uniform electrostatic field gradient between said electrode and the film to deposit on the upper surface of said film an electrostatic charge sufficient to cause said film to adhere firmly to said moving surface.

THE PROPOSED COUNT

A process for transporting a plastic film which comprises passing the plastic film in proximity to but out of contact with at least one electrode and then onto an electrically grounded moving surface; and establishing an electrostatic field gradient between said electrode

and the film to deposit on the upper surface of said film an electrostatic charge sufficient to cause said film to adhere firmly to said moving surface.

REFERENCES CITED

603,229 10/61 Belgium

Starling, S. G., *Electricity and Magnetism*, 5th edition, Longmans, Green and Co. Ltd., London, 1929, page 138.

Eldridge, J. A., *College Physics*, 1940, page 375.

Hausman and Slack, *Physics*, D. Van Nostrand Co., New York, pages 337, 338 and 346.

Copies of the Starling, Eldridge and Hausman et al references are attached to Paper No. 4 of the party Vaccaro's application, Serial No. 339,569.

I (1). The party Owens moves to dissolve on the ground that the party Vaccaro has no right to make the count as it is not supported by his original disclosure.

This motion is based upon an alleged lack of disclosure by the party Vaccaro of "establishing a non-uniform electrostatic field gradient between said electrode and the film."

The party Owens cites several prior U.S. and foreign patents and urges that these be considered in the interpretation of the count. The patents cited are not deemed relevant to the present issue. None of the references cited is directed to, or concerned with, depositing an electrostatic charge on the surface of a film "to cause said film to adhere" to a moving surface. Since the references are not relevant to the invention at issue they will not be considered in interpreting the count.

The party Owens appears to urge that the limitation recited, "a non-uniform electrostatic field gradient between said electrode and the film", be construed to require a non-uniform field gradient as described at column 3, lines 15-26 of the Owens patent. The recited limitation does not require any specific "non-uniform electrostatic field gradi-

ent". To construe the limitation to require a specific type of non-uniform electrostatic field would amount to reading into the count a limitation not present in the count. The recited limitation, and the count as a whole, must be given the broadest construction which is reasonably permissible. The count cannot be construed to require more than that required by the plain import of its terms. *White v. Dunbar*, 119 U.S. 47; *Loukomsky v. Gerlich*, 121 USPQ 213.

The party Vaccaro's application contains a description of the device to be used in the paragraph bridging columns 2 and 3, and an illustration thereof in Figure 3 of the drawing. The description reads, "The corona discharge device 21 as indicated in the drawings is preferably in the form of an elongate bar 24 having a plurality of spikes 25 directed toward the pull roller and the web thereon." The party Vaccaro has cited several references to support his contention that such a structure will inherently produce a "non-uniform electrostatic field gradient between said electrode and the film." The references show that the field existing between two neighboring parallel plates which are oppositely charged will be nearly uniform. (See page 375 of Eldridge's "College Physics" and page 346 of Hausman and Slack's "Physics"). The references make it clear that as the electrodes deviate from the form of parallel plates, a non-uniform field gradient is established. The references clearly indicate that with an electrode equipped with points, the charge will be strongest about the points and the field will be more intense about the points.* (See page 138 of Starling's "Electricity and Magnetism", and page 375 of Eldridge's "College Physics", and pages 337 and 338 of Hausman and Slack's "Physics"). In the structure shown by the party Vaccaro the electrode 21 with points or spikes 25 is not parallel to the surface of the grounded pull roller,

* The gradient or rate of change of field strength as one moves away from a point electrode is also obviously non-uniform. Note the irregular and non-parallel contour lines.

the spikes 25 which obviously are points will cause the field to be concentrated about each spike. The party Vaccaro is deemed to have established the inherency of the "non-uniform electrostatic field gradient" established in utilizing the structure disclosed. The party Owens' unsupported allegations that the structure disclosed will not inherently establish such a non-uniform field gradient are not convincing.

Since the structure disclosed by the party Vaccaro will inherently produce a non-uniform field gradient as recited in the count, his disclosure must be deemed adequate to support the count. The party Owens' motion to dissolve on this ground must be denied.

I (2). The party Owens moves to dissolve on the ground that the party Vaccaro has no right to make the count in his application for a reissue of Patent No. 3,082,735.

(a) The reissue statute, 35 U.S.C. 251, specifically provides for the reissue of a patent for the invention disclosed in the original patent when the latter is "deemed wholly or partly inoperative or invalid, . . . by reason of the patentee claiming more or less than he had a right to claim in the patent . . ." The party Owens' argument that something more than the patentee's claiming less than he had a right to claim in the patent must be shown to support a conclusion that the patent is "wholly or partly inoperative or invalid", is without foundation and wholly unconvincing.

(b) The party Owens argues that the party Vaccaro is estopped from presenting a claim corresponding to the count in his application for reissue because of the cancellation of claims of scope commensurate with, or narrower than, the count from application Serial No. 631,583, the parent of application Serial No. 58,875 on which the original Vaccaro patent issued. The party Owens specifically refers to claims 8, 9, 10, 11, 12, 13, 16 and 23 of application Serial No. 631,583. The present count recites a process for "transporting a plastic film" and requires in part, "pass-

ing the film in proximity to but out of contact with at least one electrode and then onto an electrically grounded moving surface". None of the claims presented in applications Serial Nos. 631,583 and 58,875, was drawn specifically to the transporting of "a plastic film". None of the claims was drawn to "passing the film in proximity to but out of contact with at least one electrode . . . ". Since none of the claims presented by the party Vaccaro during prosecution leading to the grant of his original patent was commensurate in scope to the present count, he is not estopped to assert such a claim in his application for reissue of that patent.

(c) The party Owens argues that the party Vaccaro is estopped from obtaining in a reissue patent a claim such as the present count because Vaccaro did not exhaust all available remedies to obtain such a claim before accepting his original patent 3,082,735. The party Owens urges that since the Owens patent 3,068,528 issued prior to the payment of the final fee in the party Vaccaro was on notice, actual or constructive, of the issuance of the Owens patent and therefore should have taken action to obtain such claims in the original patent or have refused the original patent and filed a continuing application including the claim. Acceptance of this argument would require a holding to the effect that upon issue of the Owens patent, the party Vaccaro immediately became aware of the insufficiency of the claims allowed in his application Serial No. 58,875 to cover all to which he was entitled. The present record does not support such a holding. The present situation differs from that involved in *Ex parte Zikerl and Kish*, 116 USPQ 162, cited by the party Owens. In that case, the record clearly indicated that the patentees were actually aware of the insufficiency of the allowed claims before paying the final fee and accepting the patent.

(d) The party Owens argues that the party Vaccaro is not entitled to claim the process recited in the present count

in his application for reissue because the process is a different invention than that claimed in the party Vaccaro's original patent. The party Owens's allegation, "It is well settled that a process and an apparatus for carrying out that process are *not* one and the same invention", is without basis. It has been held proper to claim a process in an application for reissue of a patent which had claims drawn solely to apparatus. See *In re Heroult*, 1907 C.D. 521. The claim forming the present count is deemed to be drawn to the invention disclosed and intended to be claimed in the original Vaccaro patent.

(e) The party Owens argues that the claim corresponding to the present count is unpatentable to the party Vaccaro in his application for reissue on the ground that Belgium patent 603,229 granted October 30, 1961, constitutes a statutory law under 35 USC 102(b). "The practice of the Patent Office has uniformly been, in connection with reissue applications, to treat the statutory bars to obtaining a patent of Section 102(s) and (d) as applying from the date of the original application and not from the date of the reissue application." *Ex parte Strassburger*, 127 USPQ 417, at footnote 2, page 420. Present practice is set forth in MPEP 1401.10, "To be effective, a reference must be prior to the effective filing date of the original patent." The Belgium patent is not an effective reference as to the party Vaccaro's application for reissue.

The party Owens' motion to dissolve must be denied.

II. The party Vaccaro moves to shift the burden of proof on the ground that he is entitled to the benefit of the filing date of his application Serial No. 631,583, filed December 31, 1956.

The application of the party Vaccaro involved in this interference is an application for reissue of Patent No. 3,082,735. The patent was granted on application Serial No. 58,879, filed September 20, 1960. Application Serial

No. 58,879 was a continuation-in-part of application Serial No. 631,583, filed December 31, 1956, prior to the filing date of the party Owens' application, May 3, 1960. The specification of the party Vaccaro's present application and the specifications of his prior applications are substantially identical. The party Owens recognizes the copendency and substantial identical disclosure of the various applications and patent.

The party Owens opposes the motion to shift the burden of proof solely on the ground that the various applications and patent of the party Vaccaro do not disclose the invention at issue. The disclosure of the party Vaccaro was considered in connection with the motion to dissolve, I(1), supra, and was found to support the present count. Application Serial No. 631,583, being substantially identical to the present application of the party Vaccaro, also supports the present count for the same reasons.

Since the party Vaccaro is entitled to the benefit of the filing date of application Serial No. 631,583, which is prior to the filing date of the party Owens' application, the motion to shift the burden of proof must be granted.

III. The motion to amend brought by the party Vaccaro, being contingent upon the granting of the party Owens' motion to dissolve, will not be considered as the motion to dissolve is denied.

The paper filed by the party Vaccaro on September 14, 1965, entitled "Reply Memorandum By Party Vaccaro On The Question Of His Right To Make The Count", has not been considered. The party Vaccaro was represented at the hearing on September 15, 1965. Reply briefs are accepted only in lieu of appearance at the hearing, Rule 236 (b). The noted paper cannot be considered as a principal brief as it was filed less than ten days before the hearing. Rule 236(a).

SUMMARY

The party Owens' motion to dissolve is **DENIED**.

The party Vaccaro's motion to shift the burden of proof is **GRANTED** and the order of the parties is changed to: Owens v. Vaccaro.

The party Vaccaro's contingent motion to amend is not considered.

No appeal (Rule 244(d)).

Respectfully,

ALEXANDER H. BRODMERKEL
Examiner

ALLeavitt/bms

cc

Burns, Doane, Benedict,
Swecker & Mathis
815 Connecticut Ave.
Washington, D. C. 20006

John E. Griffiths
c/o E. I. DuPont DeNemours & Co.
Legal Department
Wilmington, Delaware 19898

EXHIBIT B

Final Hearing
June 27, 1967

Paper No. 44
SWC/cej

IN THE UNITED STATES PATENT OFFICE
BEFORE THE BOARD OF PATENT INTERFERENCES

Patent Interference No. 94,608

OWENS

v.

VACCARO

Method for Conveying and Stretching Thermoplastic Film
Patent granted John Edward Owens December 18, 1962,
No. 3,068,528, on application filed May 3, 1960, Ser. No.
26,462

Application of Angelo Vaccaro filed December 16, 1963,
No. 339,569 (reissue), original patent No. 3,083,735
granted March 26, 1963 on application filed September
20, 1960, No. 58,875, accorded benefit of Ser. No. 631,583
filed December 31, 1956

Mr. Herbert M. Wolfson and Mr. John E. Griffiths for
Owens

Mr. Donovan J. DeWitt, Mr. Bertram F. Claeboe, Messrs.
Burns, Doane, Benedict, Swecker and Mathis and Mr.
Peter H. Smolka for Vaccaro

Boys, Williams and Capelli, Examiners of Interferences
Capelli, Examiner of Interferences

The subject matter of this interference is clearly appar-
ent in the single count reproduced below.

A process for transporting a plastic film which com-
prises passing the plastic film in proximity to but out
of contact with at least one electrode and then onto an
electrically grounded moving surface; establishing a
non-uniform electrostatic field gradient between said

electrode and the film to deposit on the upper surface of said film an electrostatic charge sufficient to cause said film to adhere firmly to said moving surface.

Both parties filed briefs and were represented at final hearing.

The sole issue before us is the right of the senior party Vaccaro to make the count.

Owens, the junior party patentee, has argued at length that the count is unpatentable to Vaccaro. This question was treated in detail in the Primary Examiner's decision on motions who held adversely to Owens. In his decision on reconsideration the Primary Examiner reaffirmed his position. In view of the holding of the Primary Examiner and of our review of the situation we are not inclined to make a recommendation to the Commissioner under Rule 259. The question of patentability is not within our jurisdiction. Note the Per Curiam decision of the Court of Custom and Patent Appeals rendered November 2, 1967 in Ferree v. Shepard, Jr. *et al.*, 55 CCPA —; 155 USPQ 464.

We turn now to the basic issue involved. The count originated in the Owens patent as claim 13. Vaccaro copied the claim in modified form by changing the phrase "an organic thermoplastic polymer film" to "a plastic film." Both parties agreed, and the Examiner did not object, that the change is immaterial.

The dispute between the parties is the interpretation of the last clause of the claim and particularly the meaning of "non-uniform electrostatic field gradient."

Owens contends that this is a "coined" term and therefore ambiguous so it must be interpreted in accordance with the Owens disclosure at column 3, lines 15 and 28 incl. The description referred to states in effect that the corona discharge is limited to an area short of reaching the film. Accordingly he asserts that the phrase in question describes a condition of operation in which the corona discharge does

not reach the film. He further states in different words that the Vaccaro specification is silent in this respect and therefore cannot make the count.

Vaccaro on the other hand asserts that the words in question are not ambiguous and that his disclosure inherently fulfills the condition described by them.

We agree with Vaccaro and the Primary Examiner that the term "non-uniform electrostatic field gradient" is clear and unambiguous so it is not necessary to refer to the Owens specification for interpretation.

In order to support inherency it must be shown that the particular operation must inevitably occur and not merely that it will probably or possibly occur. *Hansgirg v. Kemmer*, 26 CCPA 937; 40 USPQ 665, 1939 CD 327. Vaccaro relies upon the structure of his electrode 24 which has a multiplicity of spikes and upon text book statements to support his position that when a corona discharge occurs from such an electrode structure the electrostatic field gradient between the electrode and its companion electrode is inherently non-uniform.

In his decision on motions the Primary Examiner held the limitation in question to be inherent in the Vaccaro disclosure and referred for support to the following publications—

Starling, S. G. *Electricity and Magnetism*. 5th Ed. Longman's, Green and Company Lt'd. London, 1929, page 138;

Eldridge, J. A., *College Physics*, 1940, page 375;

Hausman and Slack, *Physics*, D. Van Nostrand Company, New York, pp. 337, 338 and 346 which were submitted by Vaccaro.

In his petition for reconsideration Owens cited some further publications and an affidavit by a Dr. David Griffiths

to show that the conclusions of the Examiner were wrong. The publications cited are—

Cobine, James Dillion, Gaseous Conductors. New York, Dover Publications, Inc. 1958, pp. 174, 258.

Llewellyn-Jones, F. Ionization and Breakdown in Gases. New York, John Wiley and Sons, Inc. 1957, pp. 113-116.

Loeb, Fundamentals of Electricity and Magnetism, pp. 526-535.

In reviewing these publications the Examiner found that they supported his position as to inherency rather than Owens position of non-inherency. The Primary Examiner did not accept the affidavit of Griffiths because no basis was set forth for the conclusions stated by Griffiths with respect to field uniformity.

After reviewing all of the publications of record and consideration of Owens briefs we can find no reason for disagreeing with the conclusion of the Primary Examiner that the spiked electrode of Vaccaro inherently will establish a "non-uniform electrostatic field gradient" in the corona discharge. From consideration of the technical publications of record this conclusion appears to be true whether or not the ionization produced reaches the film. On page 265 (cited by the Examiner) of the Cobine book the first sentence of Sec. 8.19, entitled Corona Space Charge, reads as follows—

"The space charge present in the region about a corona discharge *naturally* causes a marked distortion of the electrostatic field." (Emphasis added)

The Loeb publication at page 529, Fig. 257 and accompanying identification is similar in content.

If the field is distorted as indicated in the texts, it is not apparent how the gradient can be uniform.

In the Griffiths affidavit only paragraphs 5 and 8 have any pertinency to the question here involved. Paragraph 5 appears to be a paraphrasing of lines 4 and 5, page 534 of the Loeb publication. Even this sentence suggests non-uniformity.

Paragraph 8 sets forth unsupported conclusions. Griffiths neither made any field plots nor cited any authorities that would support his conclusions.

We find it unnecessary to discuss the question of support in the earlier Vaccaro parent applications since the Examiner has given Vaccaro the benefit of the earlier filing dates and Owens has conceded that the various Vaccaro disclosures are substantially identical.

Priority of invention is awarded to Angelo Vaccaro, the senior party.

GEORGE W. BOYS
Examiner of Interferences

LAVERNE WILLIAMS
Examiner of Interferences

STEPHEN W. CAPELLI
Examiner of Interferences

Board of Patent Interferences

EXHIBIT C

Paper No. 47
SWC/cej

IN THE UNITED STATES PATENT OFFICE
BEFORE THE BOARD OF PATENT INTERFERENCES

Patent Interference No. 94,608

OWENS

v.

VACCARO

Reconsideration

Owens has filed a request for reconsideration of our decision of November 29, 1967 awarding priority of invention to Vaccaro.

We have reviewed the record and our decision in the light of applicant's petition but find nothing which we have not previously considered nor any reason to modify our decision.

The petition is granted to the extent indicated but is otherwise denied.

GEORGE W. BOYS
Examiner of Interferences

LAVERNE WILLIAMS
Examiner of Interferences

STEPHEN W. CAPELLI
Examiner of Interferences

EXHIBIT D

IN THE UNITED STATES PATENT OFFICE
BEFORE THE COMMISSIONER OF PATENTS

Interference No. 94,608

OWENS

v.

VACCARO

**Petition To Have Application Returned to the Appropriate
Examining Group for Immediate Issuance of a Patent**

Angelo Vaccaro hereby petitions the Commissioner of Patents to return his reissue application Serial Number 339,569 to the appropriate examining group for immediate reissuance of a patent for the following reasons.

The subject Interference Number 94,608 involved Vaccaro reissue application Serial Number 339,569 and Owens Patent Number 3,068,528.

By their opinions dated November 29, 1967 and January 23, 1968, the Board of Patent Interferences awarded priority in the interference to the party Vaccaro, the time for appeal having expired on February 22, 1967. Thus, the proceedings in the interference before the Patent Office have been terminated and in accordance with 35 U.S.C. 135 the Commissioner may issue a patent to the applicant (Vaccaro) who was adjudged the prior inventor.

Monsanto v. Kamp et al, 360 F.2d 499 (C.A. D.C. 1965) involved an interference between a patent and an application in which priority was awarded to the applicants by the Board of Patent Interferences. Monsanto filed an action under 35 USC 146. The Court of Appeals for the District of Columbia held that in view of the previous grant of a patent to Monsanto a second patent should not be issued to

the winning applicants while the issue of priority was being litigated in the Courts.

The present situation differs from the *Monsanto* case in that *both* parties have patents but the interference involves the patent to Owens and a reissue application of Vaccaro, and the Board of Patent Interferences has awarded priority to the reissue applicant.

Under 35 USC 251 the life of a reissue patent is measured from the date of the grant of the original patent. Under 35 USC 252—

“No reissue patent shall abridge or affect the right of any person or his successors in business who made, purchased or used prior to the grant of a reissue anything patented by the reissued patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased or used, unless the making, using or selling of such thing infringes a valid claim of the reissued patent which was in the original patent.”

These are commonly referred to as intervening rights. Therefore, every day of delay in reissuing the patent results not only in a corresponding decrease in the life of the reissue patent but permits the accrual of intervening rights.

The Petitioner will suffer irreparable harm unless the reissue patent is granted promptly inasmuch as he may be precluded from collecting damages for infringement from those persons who begin using the process embraced by the reissue claims (but not the original claims) prior to the issuance of the reissue patent. Granting of the reissue patent may serve to cut off the further accrual of intervening rights.

The matter of the issue of priority as between Vaccaro and Owens can still be litigated, and regardless of which party wins, the claim constituting the count of the interference in the patent of the losing party will be cancelled under 35 USC 135. In fact, Owens' assignee, duPont, has already

filed a suit in the United States District Court for the Southern District of New York, Civil Action Number 68-723 under 35 USC 146 against Petitioner Vaccaro and others seeking to have the Decision of the Board of Patent Interferences reversed.

The immediate reissuance of the patent to Vaccaro is *not* in conflict with the holding of Monsanto. The Court, at page 502, quoted a Senate Report as follows:

“ ‘But even when appeal to the court is taken, in many cases it is possible to grant a patent immediately to the winning party without prejudicing the appeal, and in such cases the Commissioner can so grant the patent immediately.’ ”

The Court went on to say that the above reference is apt when applied to unusual cases, of which this is one.

The successful applicants in the *Monsanto* case, who were denied issuance of a patent pending the outcome of the litigation in Court, were suffering a mere postponement of the benefits they might enjoy. In the present case, each day of delay in issuing the application results in loss of rights and in irreparable harm.

Petitioner submits that under these unusual circumstances granting of the reissue patent should be promptly effected.

Respectfully submitted,

BURNS, DOANE, BENEDICT,
SWECKER & MATHIS

By PETER H. SMOLKA
Peter H. Smolka
815 Connecticut Avenue
Washington, D. C. 20006
Tel. 298-9185

EXHIBIT E

U.S. DEPARTMENT OF COMMERCE
PATENT OFFICE
WASHINGTON, D. C. 20231

April 1, 1968

Interference No. 94,608

OWENS

v.

VACCARO

Petition

The party Vaccaro, who was awarded priority in this interference by the Board of Patent Interferences on November 29, 1967, petitions that his reissue application here involved be remanded to the Examiner for the immediate granting of the requested reissue. It is noted in the petition that a civil action under 35 U.S.C. 146 has been filed by the party Owens in the United States District Court for the Southern District of New York.

The party Owens is a patentee and in Monsanto et al. v. Kamp et al., 1965 C.D. 645, 145 USPQ 431, it was held that a patent should not be issued to an applicant who was successful in interference with a patent during the pendency of an action under 35 U.S.C. 146 filed by the patentee. The petitioner here acknowledges that decision but contends that it is not applicable here because the application involved is for reissue so that the term of the patent sought to be reissued is running and intervening rights may accrue to others during the delay caused by the civil action.

This argument is persuasive and there is no doubt that the equities are different when a reissue, rather than an original application, is involved but the language used by the court in the Monsanto case is thought to be such as

to allow the Patent Office no discretion. Thus the court said:

"If the Commissioner issues a patent to a new applicant, even though there is a patent outstanding on the same subject matter, obviously two patents would be outstanding at the same time on the same subject matter. This is a contradiction of the whole thesis of patent issuance. Indeed the constitutional grant of power to the Federal Government is couched in terms of exclusivity. Of course a duplication of a patent grant may upon occasion occur by accident but it cannot be a valid feature of governmental program We therefore hold that since the Commissioner of Patents has issued a patent valid on its face, *he is not free to take action adverse to the validity of that patent while its validity is being litigated in the United States courts.*" (emphasis added)

From the quoted language it appears that the court's decision was not based on equities but on statutory interpretation and so far as that interpretation is concerned it seems to be immaterial what type of application is involved. The essential holding was that two patents containing the same claims should not be issued until there has been a final determination of priority. Any departure from that categorical pronouncement must be made by the court rather than by the Patent Office, and the petition must accordingly be denied.

EDWIN L. REYNOLDS
First Assistant Commissioner

JOHN E. GRIFFITHS (for Owens)
c/o E. I. DuPont de Nemours and Co.
Legal Dept.
Wilmington, Delaware 19898

BURNS, DOANE, BENEDICT, SWECKER (for Vaccaro)
& MATTHIS
815 Connecticut Avenue
Washington, D. C. 20006

[Filed May 16 1968]

Motion To Amend Complaint Under Rule 15(a) FRCP

Plaintiff moves the Court for leave to amend its Complaint on file herein in the following particulars:

Strike Paragraph (b) of the Prayer appearing on the last page of the Complaint.

The grounds for this motion are that the deletion of Paragraph (b) will simplify the issues and expedite a decision in the case. It is understood that the Defendant has no objection to the amendment.

CELANESE CORPORATION

By W. L. BENEDICT
W. L. Benedict
Attorney for Plaintiff

BURNS, DOANE, BENEDICT,
SWECKER & MATHIS
815 Connecticut Avenue
Washington, D. C. 20006

Motion Granted and
So ORDERED:

Tel. 298-9185

.....
U. S. District Judge

Motion To Dismiss

Defendant, Edward J. Brenner, Commissioner of Patents, moves that the complaint in the above-identified civil action be dismissed on the ground that the complaint fails to state a claim against defendant upon which the relief requested can be granted. (Rule 12(b)).

The basis for that motion is set forth in the attached Points and Authorities.

A prompt oral hearing is requested.

Respectfully submitted,

JOSEPH SCHIMMEL
Solicitor, United States Patent
Office
Attorney for Defendant

POINTS AND AUTHORITIES

1. Patent 3,068,528, issued December 18, 1962 to E. I. duPont deNemours and Company (duPont), John E. Owens being the inventor named in the patent (Complaint¹, paragraph 5).
2. Patent 3,082,735, issued March 26, 1963, having been filed in the name of Angelo Vaccaro. Plaintiff is the sole owner of this patent (paragraph 4).
3. On December 16, 1963, the reissue application at bar, Serial No. 339,569, was filed in the name of Angelo Vaccaro. Plaintiff is the sole owner of the reissue application (paragraph 4).
4. On October 23, 1964, the Patent Office declared Interference No. 94,608 between plaintiff's reissue application Serial No. 339,569 and duPont's patent 3,068,528

¹ Further references to a numbered paragraph will be understood as a reference to the designated paragraph of the complaint.

(paragraph 5) on the basis of the count set forth in paragraph 6, at the request of the reissue applicant.

5. In a decision dated November 29, 1967, adhered to on reconsideration January 29, 1968, the Board of Patent Interferences awarded priority to Vaccaro (paragraph 16, plaintiff's exhibits B and C).

6. On February 21, 1968, duPont filed Civil Action No. 68-723 in the United States District Court for the Southern District of New York against the present plaintiff and others, under 35 U.S.C. 146, seeking judicial review and reversal of the decisions of the Board of Patent Interferences (paragraph 17).

7. On March 11, 1968, plaintiff petitioned the Commissioner of Patents to return the reissue application to the appropriate examining group "for immediate reissuance of a patent", after denial by the Patent Interference Examiner on March 8, 1968 of a similar request (paragraphs 18 and 19 and plaintiff's exhibit D).

8. On April 1, 1968, First Assistant Commissioner Reynolds denied the petition on the basis of *Monsanto et al. v. Kamp et al.*, 123 U.S. App. D.C. 365, 360 F.2d 499, which held that a patent should not be issued to an applicant who was successful in interference with a patent during the pendency of an action under 35 U.S.C. 146 filed by the patentee (paragraph 20 and plaintiff's exhibit E). Referring to *Monsanto*, the First Assistant Commissioner stated that "The essential holding was that two patents containing the same claims should not be issued until there has been a final determination of priority. Any departure from that categorical pronouncement must be made by the court rather than by the Patent Office" (p. 2 of exhibit E) since the court's language in *Monsanto* "is thought to be such as to allow the Patent Office no discretion" (p. 1 of plaintiff's exhibit E).

9. On or about May 16, 1968, plaintiff filed a motion to amend the complaint, the effect of which is to limit the

relief sought essentially to that set forth in paragraph (a) of the prayer. The motion correctly states that defendant has no objection to the amendment.

10. *Monsanto* and the instant case differ, so far as the essential issues are concerned, only in that *Monsanto* involved a priority contest between a patentee and an *original* patent applicant, while here the contest was between a patentee and a *reissue* patent applicant, the applicant in each case having won a judgment of priority in the Patent Office.

11. The Court stated in *Monsanto*:

"If the Commissioner issues a patent to a new applicant, even though there is a patent outstanding on the same subject matter, obviously two patents would be outstanding at the same time on the same subject matter. This is a contradiction of the whole thesis of patent issuance. Indeed the constitutional grant of power to the Federal Government is couched in terms of exclusivity. Of course a duplication of a patent grant may upon occasion occur by accident but it cannot be a valid feature of governmental program. . . . The Commissioner should not issue a second patent where an existing patent is outstanding and the cancellation of its terms cannot be effectuated until termination of an action pending in court. . . . We therefore hold that since the Commissioner of Patents has issued a patent valid on its face, *he is not free to take action adverse to the validity of that patent while its validity is being litigated in the United States courts.*" (emphasis added)

It is accordingly submitted that the First Assistant Commissioner correctly concluded

"that the court's decision was not based on equities but on statutory interpretation and so far as that interpretation is concerned it seems to be immaterial

what type of application is involved. The essential holding was that two patents containing the same claims should not be issued until there has been a final determination of priority. Any departure from that categorical pronouncement must be made by the court rather than by the Patent Office, and the petition must accordingly be denied." (plaintiff's exhibit E)

12. The decision of the United States Court of Appeals for the District of Columbia in *Monsanto*, states that the "Commissioner should not issue a second patent where an existing patent is outstanding and the cancellation of its terms cannot be effectuated until termination of an action pending in court", and that in a situation such as this the Commissioner "is not free to take action adverse to the validity of that patent while its validity is being litigated in the United States courts." On that basis, it is respectfully submitted that this Court is not free to hold, as requested in paragraph (a) of the prayer, that the Commissioner "has the authority under 35 U.S.C. 135 to reissue Plaintiff's patent irrespective of the pendency of the Civil Action by duPont seeking a review and reversal of the decisions of the Board of Patent Interferences."

13. In view of *Monsanto*, the Court is without authority to grant the relief requested, and the complaint should accordingly be dismissed.

Respectfully submitted,

JOSEPH SCHIMMEL
Solicitor, U. S. Patent Office
Attorney for Defendant

RAYMOND E. MARTIN,
Of Counsel

May 20, 1968

Excerpt from Brenner's Points and Authorities in Opposition to Motion to Intervene

4. The possibility that this Court may decree that the Commissioner has the authority to decide whether a reissue patent will not "as a practical matter" impair or impede DuPont's ability to protect its interest in patent No. 3,068,258, which is directly involved in the New York suit (Rule 24(a)(2)). Though the decisions of the Board of Patent Interferences awarding priority to plaintiff's assignee may have already thrown some doubt upon the validity of DuPont's patent, because of the presumption of correctness accorded such decisions "*Morgan v. Daniels*, 153 U.S. 120, 124, 125, *Esso Standard Oil Co. v. Sun Oil Co.*, 97 U.S. App. D.C. 154, 229, F.2d 37, 40, 108 USPQ 161, 163; *Union Carbide Corp. v. Traver Investments, Inc.*, 238 F. Supp. 540, 144 USPQ 404, 406; *Philco Corp v. Radio Corp. of America*, 276 F. Supp. 24, 155 USPQ 372, 374, that fact does not warrant intervention in this proceeding where the only issue is whether the Commissioner's discretion has been foreclosed by the decision of the Court of Appeals in *Monsanto v. Kamp, et al.*, 123 U.S. App. D.C. 365, 360 F.2d 499.

Order

Plaintiff Celanese Corporation having moved on May 16, 1968 under Rule 15(a) of the Federal Rules of Civil Procedure for leave to amend its Complaint and the Court having granted said Motion on June 7, 1968, it is hereby,

ORDERED AND DECREED That Paragraph (b) of the prayer appearing on the last page of the Complaint be stricken therefrom.

.....
Judge
United States District Court

Order was signed on June 20, 1968

[Celanese's Proposed] Final Judgment and Restraining Order

The above action having been heard on the sole and controlling issue in the case and the Court being fully informed in the premises, orders and decrees as follows:

- (1) **THAT** under the conditions of this order, Defendant Brenner, Commissioner of Patents, is not precluded by *Monsanto Company v. Kamp*, 360 F. 2d 499 (D.C. Cir. 1965) from granting a reissue of the Plaintiff's Vaccaro patent number 3,082,735.
- (2) **THAT** the Plaintiff Celanese, its successors and assigns, are restrained and enjoined from instituting an action for infringement of any claim corresponding to the count in Interference 94,608 until there has been a final determination in Plaintiff Celanese's favor as to priority of the invention of the count in Interference 94,608 in the action under 35 U.S.C. 146 now pending in the United States District Court for the Southern District of New York, Civil Action No. 68-723, in which event Plaintiff Celanese shall not thereafter be foreclosed from recovering for infringement of any and all claims in the reissue patent from the date of its reissue, the same as if this restraining order had not been in effect.
- (3) **WHEN** and if a final judgment is rendered in said Civil Action No. 68-723, from which no appeal is or can be taken, and which affirms the decision of the Board of Patent Interferences awarding priority of the count of the interference to Vaccaro, this injunction and restraining order shall forthwith be dissolved. The restraint imposed by this order does not reach to any original claim of the Vaccaro patent.

(4) Defendant's Motion to dismiss is denied.

.....
Judge
United States District Court
For the District of Columbia

Approved:

JAMES P. BURNS
James P. Burns
Attorney for Plaintiff Celanese Corporation
BURNS, DOANE, BENEDICT, SWECKER & MATHIS

Approved as to Form:

JOSEPH SCHIMMEL
Joseph Schimmel, *Solicitor*
Attorney for Edward J. Brenner
Commissioner of Patents

22

Oral Ruling of the Court

23 The Court: Well, notwithstanding the obvious
equitable considerations in this case, I think I am
bound by the Monsanto case. I do not see how
I can get around it.

The essence of that case is you cannot have two patents
outstanding at the same time. I equate "reissue" with
"original issue." I do not know how I can possibly get
around the Mansanto case. I think it is going to have to go
back to a court which is provided for these unusual cir-
cumstances and see what they can do with it.

So, I am going to grant the Solicitor's motion for
dismissal.

* * * * *

Filed July 2, 1968

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

Civil Action No. 905-68

CELANESE CORPORATION, *Plaintiff*,

v.

EDWARD J. BRENNER, Commissioner of Patents, *Defendant*,

and

E. I. DU PONT DE NEMOURS & COMPANY,
Defendant-Intervenor.

Order

On consideration of (1) the motion of defendant Commissioner of Patents to dismiss, and (2) the plaintiff's motion for summary judgment, it is

ORDERED AND ADJUDGED that

(1) the defendant Brenner's motion to dismiss be and is hereby granted; and that

(2) the plaintiff's motion for summary judgment is withdrawn on request of the plaintiff.

In view of the Court's ruling dismissing the action against the Commissioner of Patents, a motion to reconsider the *ex parte* order granting permission to E. I. du Pont de Nemours Company, Inc. to intervene was considered moot.

On reconsideration, however, and in view of the fact that the Court is informed that an appeal will be taken in this matter and that the taking of such appeal requires a prior determination of the propriety of the intervention of E. I. du Pont de Nemours, on consideration of the briefs submitted in connection with such motion and of the total record as developed in the course of argument, it is

FURTHER ORDERED AND ADJUDGED

(3) that the *ex parte* order permitting intervention by E. I. du Pont de Nemours is vacated, and
(4) the motion of E. I. du Pont de Nemours is deemed moot.

H. F. CORCORAN
Judge

Dated: July 2, 1968.

Notice of Appeal

Notice is hereby given that Celanese Corporation, Plaintiff above named, hereby appeals to the United States Court of Appeals for the District of Columbia Circuit from the Order of the District Court of the District of Columbia granting Defendant Brenner's Motion to Dismiss and dismissing Plaintiff's Complaint, the Order having been entered in this action on July 2, 1968.

BURNS, DOANE, BENEDICT,
SWECKER & MATHIS

By JAMES P. BURNS

Attorneys for Appellant
Celanese Corporation
815 Connecticut Avenue, N. W.
Washington, D. C. 20006
Telephone: 298-9185

Dated: July 3, 1968





APPEAL NO. 22,093

ISSUE PRESENTED FOR REVIEW

In the opinion of appellee, the issue presented is:

Whether the District Court erred, when evaluating the facts of this case in the light of *Monsanto et al. v. Kamp et al.*, 123 U.S. App. D.C. 365, 360 F.2d 499, in equating an application for the reissue of a patent with an original application for patent, thus approving, in effect, the Commissioner's holding that he is not free to take action adverse to the validity of the duPont patent while its validity is the subject of litigation in a Federal court with the instant re-issue application under 35 U.S.C. 146.

(I)

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AUTHORITIES CITED:

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* Case chiefly relied upon.

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IN THE
United States Court of Appeals
FOR THE DISTRICT OF COLUMBIA CIRCUIT

Appeal No. 22,093

CELANESE CORPORATION, APPELLANT

v.

EDWARD J. BRENNER, COMMISSIONER OF PATENTS,
APPELLEE

**Appeal from the Judgment of the United States District
Court for the District of Columbia**

BRIEF FOR APPELLEE

INTRODUCTION

This is an appeal from the order (JA-39) of the United States District Court for the District of Columbia (hereinafter, the District Court) granting defendant's motion to dismiss the complaint in Civil Action 905-68 brought under 28 USC 1338 and 5 USC 701-706 (JA-4), in which plaintiff sought to have the Court issue a decree holding that the Commissioner

of Patents has the authority under 35 USC 135 to reissue plaintiff's patent notwithstanding the pendency of Civil Action No. 68-723 in the United States District Court for the Southern District of New York (hereinafter, the New York Court), which was brought under 35 USC 146 (Complaint, paragraph 17, JA-6, 7).

As indicated by its oral ruling, (JA-38), the District Court effectively concurred with the First Assistant Commissioner in his holding that notwithstanding the obvious equitable considerations in the case when a reissue rather than an original application is involved, the language of *Monsanto et al. v. Kamp et al.*, 123 U.S. App. D.C. 365, 360 F.2d 499, is "such as to allow the Patent Office no discretion" (JA-29, 30).

COUNTERSTATEMENT OF THE CASE

Plaintiff's "STATEMENT OF THE CASE" is adequate except for its failure to note the First Assistant Commissioner's view that the essential holding of *Monsanto*

"was that two patents containing the same claims should not be issued until there has been a final determination of priority". (JA-30)

STATUTES AND OTHER RELEVANT MATERIAL INVOLVED

In addition to the sections of 35 Title USC which appellant has reproduced in its brief, it is necessary to consider also the following sections. The relevant sections read:

§ 101. Inventions patentable

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

§ 112. Specification

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

§ 120. Benefit of earlier filing date in the United States

An application for patent for an invention disclosed in the manner provided by the first paragraph of section 112 of this title in an application previously filed in the United States by the same inventor shall have the same effect, as to such invention, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application.

§ 134. Appeal to the Board of Appeals

An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Appeals, having once paid the fee for such appeal.

§ 135. Interferences

(a)

(b) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

The following portion of the Manual of Patent Examining Procedure¹ (hereinafter cited as the Manual) is also considered in this brief:

708.01 List of Special Cases

Rule 102. Advancement of examination. (a) Applications will not be advanced out of turn for examination or for further action except as provided by these rules, or upon order of the Commissioner to expedite the business of the Office, or upon a verified showing which, in the opinion of the Commissioner, will justify so advancing it.

¹ The Manual is a reference work for examiners of the Patent Office which contains instructions to examiners as well as other material in the nature of information and interpretation, and generally outlines the current procedures which the examiners are required or authorized to follow in appropriate cases in the normal examination of patent applications.

(b) Applications wherein the inventions are deemed of peculiar importance to some branch of the public service and the head of some department for that reason, may be advanced for examination.

Certain procedures by the Examiners take precedence over actions even on special cases.

For example, all papers typed and ready for signature should be completed and mailed.

All issue cases returned with a "Printer Waiting" slip must be processed and returned within the period indicated.

Cases in which practice requires that the Examiner act within 60 days, such as decisions on motion (1105.06) and Examiner's answers (1208), necessarily take priority over special cases without specific time limits. Such cases should be taken up for action at least 30 days completion within the 60-day limit.

If an Examiner has a case which he is satisfied is in condition for allowance, or which he is satisfied will have to be finally rejected, he should give such action forthwith instead of making the case await its turn.

The following is a list of special cases (those which are advanced out of turn for examination) :

(a) Applications wherein the inventions are deemed of peculiar importance to some branch of the public service and when for that reason the head of some department of the Government requests immediate action and the Commissioner so orders (Rule 102).

(b) Cases made special as a result of a petition. (See 708.02).

Subject alone to diligent prosecution by the applicant, an application for patent that has once been made special and advanced out of turn for examination by reason of a ruling made in that particular case (by the Commissioner or an Assistant Commissioner) will continue to be special throughout its entire course of prosecution in the Patent Office, including appeal, if any, to the Board of Appeals; and any interference in which such an application becomes involved shall, in like measure, be considered special by all Patent Office officials concerned.

- (c) Applications for reissues (Rule 176).
- (d) Cases remanded by an appellate tribunal for further action.
- (e) A case, once taken up for action by an Examiner according to its effective filing date, should be treated as special by any Examiner, Art Unit or Group to which it may subsequently be transferred; exemplary situations include new cases transferred as the result of a telephone election and cases transferred as the result of a timely response to any official action.
- (f) Applications which appear to interfere with other applications previously considered and found to be allowable, or which it is demanded shall be placed in interference with an unexpired patent or patents (Rule 201).
- (g) Cases ready for allowance, or ready for allowance except as to formal matters.
- (h) Cases which are in condition for final rejection.
- (i) Cases pending more than five years, including those which, by relation to a prior United States application, have an effective pendency of more than five years. See 707.02(a)
See also 714.13 and 1207.

SUMMARY OF ARGUMENT

1. Celanese agrees (Br-15) that the sole issue before the court is one of law involving interpretation of *Monsanto et al. v. Kamp et al., supra*.

2. Celanese has failed to sustain its primary contention that the facts of the present case place it in the "unusual" category mentioned in *Monsanto*. Its reliance upon Patent Office Rule 176 which provides that reissue applications are acted upon in advance of other applications, in support of this contention, is without merit for two reasons.

First, a reissue application is but one of nine different types of cases which are acted on in advance of other applications, as indicated by the Manual.

Second, such preferential treatment is accorded all reissue applications, whether involved in an interference or not.

There was no "series of inadvertences" justifying placing this case in the "unusual" category. The Patent Office committed no inadvertence in issuing two conflicting patents to Owens and Vaccaro. Comparison of these patents shows that their disclosures and claims purport to be and are directed to different inventions, a fact confirmed by the classification indicia appearing at the end of the subheading of each patent.

3. By filing a reissue application, a patentee assumes certain risks. First he may lose one or more of his original patent claims, because of a new ground of rejection asserted by the Patent Office. This risk is implicit in the language of Rule 176. Second, the reissue applicant assumes the risk of a loss of a sub-

stantial portion of the unexpired term of the original patent, and/or of the accrual of intervening rights, because of the time consumed in processing the reissue application. The risks mentioned to this point apply to reissue applications, regardless of whether they become involved in an interference or not.

When a reissue application includes claims copied from a patent, either in identical or in modified form, the very purpose of such copying is to provoke an interference. Such copying enhances the second risk noted under this point, in view of the time which will be consumed by the proceedings. However, it is a risk knowingly taken.

There is always the possibility that a reissue application will be involved in court proceedings involving review of a decision of a Patent Office tribunal. Whether such proceedings are *ex parte* or *inter partes*, the time consumed until final judgment is rendered may be substantial, thus reducing the unexpired portion of the original patent term which the reissue applicant may enjoy, in case the final judgment is in his favor, and incurring the possibility of accrual of intervening rights. As a general rule, a reissue applicant who deliberately becomes involved in an interference with an original patentee may expect to stand in a worse position regarding the loss of valuable patent rights than one who does not become so involved.

4. The outcome of this appeal depends upon an interpretation of *Monsanto* and Section 135, viewed against the factual background of this case, even though there is no language in that section which

forecloses the grant of a reissue patent during pendency of a Section 146 Civil Action. Nevertheless Section 251 is not controlling as to the right to a reissue in *all* cases, and certainly not in this one. Whether or not Section 135 is a penal statute, is irrelevant to the issue before the Court.

5. There is a possibility of harm to the public interest, resulting from reissuing plaintiff's patent, notwithstanding its willingness to be subjected to a court order restraining it, until a final determination of the Section 146 action, from instituting an infringement action based on any claim corresponding to the count of the interference. For example, competitors of Celanese and of duPont, may be subjected to multiple harassment (a) by receiving from duPont, as an original patentee, a notification of intent to sue for infringement fairly promptly, unless the prospective defendant ceases the practice of a process substantially corresponding to Owens' claim 13, as well as (b) by notification from Celanese of a similar intent to sue in the event of a final award of priority to appellant by the New York court. Such notification from two patentees might dissuade a competitor from practicing a process which did not clearly infringe the process of the interference count. To that extent the public would be deprived of goods and/or services which might otherwise have been available to it.

6. In situations in which an application is involved in a Section 146 action with a patent, granting of a *reissue patent* to one of the parties involved, would be just as repugnant to the Constitutional concept of exclusivity of patent rights, as issuance of an *original*

patent to Kamp et al. would have been in *Monsanto*. There are so many similarities between the facts of the two cases, and such little difference, that *Monsanto* should be regarded as controlling.

ARGUMENT

The issue, as defined above, may be paraphrased as involving the question of whether the ruling of the majority in *Monsanto* is applicable to the facts of this case, the only significant difference being that in *Monsanto*, the winning party in the Patent Office was an *original* applicant, and that here, the winning party is a *reissue* applicant. The position of the appellee (hereinafter the Commissioner) is that the difference in the types of application involved (i.e. reissue vs. original), does not require a different result here, that is, a ruling that the Commissioner is authorized under 35 USC 135, to grant a reissue patent to Celanese during the pendency of the Section 146 action. Celanese contends, on the other hand, that the *Monsanto* ruling applies only to the facts of that case, and that the facts here justify classifying the present situation as one of the "unusual cases" to which the majority referred in the last paragraph of its opinion in *Monsanto*, reproduced in part at Br²-10.

1. The Facts Do Not Fall Into The "Unusual" Category Referred To In *Monsanto*

As an indication that this is an "unusual" case, Celanese cites the likelihood of accrual of intervening

² Br-followed by a designated page will have reference herein to the pertinent page of Celanese's brief.

rights,³ and the fact that a Vaccaro reissue patent will be only "for the unexpired part of the term of the original patent" (Br-8), the same adverse factors urged in the Vaccaro petition seeking "immediate issuance" of a reissue patent (JA-26 to 28). These factors constitute the basis for the statement in the decision of the First Assistant Commissioner that "there is no doubt that the equities are different when a reissue, rather than an original application, is involved . . ." (JA-29). However, that decision effectively was based on the proposition that only a question of law was involved, and that accordingly, equitable factors need not be considered. On this aspect of the appeal, there appears to be agreement, in view of the statement that "the sole issue in this case is one of law restricted to construction of a decision of this court . . ." (Br-15). Appellant's citation of the Yuba case (Br-14), which involves equity jurisdiction, accordingly lacks pertinence.

a. The Rule 176 Argument Is Without Merit

By way of support for the "unusual case" contention, Celanese invokes additional considerations other than those involving equity. First, it states that be-

³ The statutory basis for intervening rights is set forth in 35 USC 252, paragraph 2 (Br-6). For background information on the nature of intervening rights, see Federico's article, "Intervening Rights In Patent Reissues", 30 Geo. Wash. L.R. 603-637 and *White v. Fafnir Bearing Co.* 263 F. Supp. 788, 152 USPQ 464, aff'd — F.2d —, 156 USPQ 657 (CA 2, 1968). Intervening rights were collaterally involved in this Court's recent decision in *Brenner v. The State of Israel*, Appeal No. 21,554, decided August 12, 1968.

cause of the diminishing term of the original patent and the likelihood of the accrual of statutory intervening rights, Patent Office Rule 176 (Br-6) recognizes that a reissue application presents an unusual case by expressly providing:

Applications for reissue will be acted on by the examiner in advance of other applications. (Br-6, 8, fifth paragraph)

The rule advisedly refrains from referring to *all* other applications, for the reason that reissue applications constitute only one of nine types of cases which are advanced out of turn for examination, as indicated by Manual Section 708.01, *supra*.

That Section contains two categories of interest here, which read as follows:

(c) Applications for reissues (Rule 176)

• • • •

(f) Applications which appear to interfere with other applications previously considered and found to be allowable, or which it is demanded shall be placed in interference with an unexpired patent or patents (Rule 201)

There is no order of preference or priority among the nine categories of cases of Manual Section 708.01, so that the examiner is free to exercise his discretion as to which "special" case to examine first, assuming he has more than one before him at a given time.

A comparison of categories (c) and (f) is quite revealing. It is clear that the Kamp et al. application involved in Monsanto fell into the second part of cate-

gory (f) which reads "or which it is demanded shall be placed in *interference with an unexpired patent or patents*" (emphasis added). Carrying Celanese's argument regarding Rule 176 to its logical conclusion, since the Kamp et al. application must have been acted on by the examiner in advance of other applications⁴ because of its coming under category (f), it would be proper to say that the Monsanto-Kamp interference presented this Court with just as *unusual* a situation as that presented by the Owens-Vaccaro interference here. A majority of the Court, however, effectively decided that *Monsanto* did not constitute an "unusual case", and if Rule 176 and Manual Section 708.01 constitute proper criteria, this Court should likewise hold that the instant factual situation before the court does not spell out an "unusual case".

Another aspect of Rule 176, categories (c) and (f), should be considered. Not every reissue application becomes involved in an interference. Nevertheless it is treated as "special" under Rule 176 and category (c). It is equally clear that an original (as contrasted with a reissue) application which appears to interfere with an allowable original application or an unexpired patent, falls into category (f) and is also treated as special.

b. *The Patent Office was Not Inadvertent In Issuing Two Coexisting Patents*

Celanese makes an unsupportable generalization by way of contending that an unusual case is presented,

⁴ Categories (c) and (f) have been included in Manual Section 708.01, through many revisions since the Manual was first published in 1949.

when it infers that all factual situations related to the present one involving an interference between an original patent and a reissue application, result from a series of inadvertences (Br-11). Two inadvertences are listed, the first being that of the Patent Office in issuing two conflicting patents. The record clearly establishes that the Office committed no inadvertence in this respect.

The list of docket entries (JA-1) indicates, the filing on June 13, 1968 of a "Motion of defendant-intervenor to dismiss complaint" accompanied by "exhibits A thru G". Exhibit A is a copy of Owens patent 3,068,528. Exhibit B is a copy of Vaccaro patent 3,082,735, whose reissue Celanese seeks. Exhibits A and B form part of the complete record before the District Court, but they are not printed in the Joint Appendix. A comparison of the claims, specifications and headings of the two patents is quite revealing.

All of Vaccaro's claims are directed to a "device". This obviously falls into the statutory class of a "machine" as set forth in 35 USC 101. All of Owens' claims are drawn to a "process", which is the first class of patentable inventions set out in Section 101. Manifestly, the invention of Owens claims is directed to a different statutory class from that of Vaccaro's claims.

It will be further noted that the result sought to be accomplished in each respective set of patented claims is different. All of Vaccaro's claims except claim 5 are directed to a device for *coating* a web as it fed from a source of supply (supply roll 11, col. 2, line 41, shown at the left side of Fig. 1) to a take-up roll 18, col. 2, line 46, shown at the left side of Fig. 1 above roll 11.

Owens neither claims nor discloses the coating of the polymeric film referred to in his claims. Vaccaro's claim 5 recites a device for feeding and controlling the tension of his "web". The tension controlling means is disclosed by Vaccaro at col. 3, lines 16-45, and is also included in his other claims. Owens neither discloses nor claims the tension controlling means of Vaccaro's claim 5, or of any other such means.

Turning now to the result sought by Owens, in all of his claims except claims 13, 14, 17, 18 and 19, the patentee was concerned with *stretching* a polymeric film. The stretching can be in a longitudinal (col. 1, line 65) or in a transverse (col. 2, line 10) direction. Claims 1 through 12, which recite a speed differential, involve longitudinal stretching (col. 5, lines 8-10) and claims 15 and 16 directly recite transverse stretching, disclosed at col. 5, line 59 et seq. Vaccaro does not disclose stretching of any type.

Owens' claims 13, 14, 17, 18 and 19 relate to a process for transporting a polymeric film. Nothing in Vaccaro's patent indicates that a transporting method formed any aspect of his invention.

Due to the general classes of materials to be handled or treated, disclosed by Owens and Vaccaro, it was necessary in setting up the interference to modify (JA-21, fourth full paragraph) Owens' claim 13 (col. 10) as indicated by the interference count (JA-20, 21), in order that the Vaccaro disclosure would support the count. Vaccaro's materials are exemplified by textile cloth (fabric), paper and plastic films (col. 1, lines 11, 12). In his claims, the material is specified as "fabric", except in claim 5, in which the

material is broadly designated as a "web". Owens discloses (See the title and col. 1, lines 10, 11), and claims "organic thermoplastic polymeric film".

Enough differences between the invention claimed by each patentee have been pointed out to show that the Patent Office was justified in regarding the Vaccaro and Owens original applications as directed to different inventions. In fact, due to the manner in which each inventor claimed his invention, the two applications were classified in different arts and were assigned to different examining areas, each handling subject matter different from that handled by the other. As indicated by the designation "18-48" at the end of the sub-heading at the top of col. 1, the Owens patent was classified in class 18, subclass 48, for search purposes. In similar manner, the Vaccaro patent was classified in class 118, subclass 33.

In view of the many differences between the Vaccaro and Owens disclosures and the claims they made in their original applications, the Patent Office would not have been justified in setting up an interference between the Vaccaro and Owens applications. During prosecution of the Vaccaro original application, Vaccaro could have claimed a *process* as well as a "device", especially a process of transporting a plastic film of the type set forth in Owens claim 13. Only if Vaccaro had advanced such a claim, might the Patent Office have been chargeable with "inadvertence in the issuance of the two co-existing patents" (Br-11, first paragraph).

Since the Vaccaro application was accorded the benefit of the earlier application Serial No. 631,583,

filed December 31, 1956 (JA-20), and the Board of Patent Interferences held that Vaccaro's disclosures supported the interference count (JA-20 to 24) it is evident that for a period in excess of six years,⁶ Vaccaro could have claimed a process of transporting plastic film of the type set forth in Owens' claim 13, in modified form, but failed to do so. In fact, in view of the three month period which elapsed between December 18, 1962, the date of Owens patent and March 26, 1963, the date of Vaccaro's patent, Vaccaro could have copied Owens' claim 13 in modified form during that period, since 35 USC 135, paragraph 2, supra, which allows an applicant to copy a claim from a patent at any time up to "one year from the date on which the patent was granted", is clearly predicated on the assumption that a patent applicant is chargeable with notice of the issuance of patents on the same or related inventions. Taking the view most favorable to Celanese, it took that party almost one year from the date of the Owens patent issued before it realized that the Vaccaro original applications could support Owens' claim 13 in modified form. This follows from the difference in time between the date the Owens patent issued, December 18, 1962, and the date the Vaccaro reissue application was filed, December 16, 1963 (JA-20).

Even aside from the differences pointed out above between the Owens and Vaccaro patents, if it took

⁶ The original Vaccaro patent (exhibit B, identified above) was granted March 26, 1963.

Vaccaro or his privies in excess of six years* to realize that the original Vaccaro applications would support claim 13 in modified form, thus showing clear inadvertence on their part, how can it be seriously contended that the Patent Office was inadvertent "in the issuance of the two coexisting patents" (Br-11, first paragraph)?

Instead of a "series of inadvertences" (Br-11, first paragraph), there is only one inadvertence in this case, that of "the reissue applicant in failing to secure in his original patent adequate protection for his disclosed invention" (Br-11, id.) Even though 35 USC 251 is predicated upon inadvertence, assuming it can be equated with the language "error without any deceptive intention" of the statute, such inadvertence relates to only one of the requirements applicant must satisfy before the Commissioner can properly reissue his patent and has no bearing on whether a patent may be properly issued under Section 135 (Br-4, 5) on a reissue application, whose applicant has been awarded priority by the Board of Patent Interferences in an interference with an original patent.

c. The Risks Assumed by a Reissue Applicant

Further aspects of Rule 176 must be noted. First, the rule provides that an original patent claim, which is re-presented, is subject to reexamination. Thus, a reissue applicant assumes the risk that the Patent Of-

* From December 31, 1956, the filing date of Serial No. 631,583 of which Vaccaro was accorded the benefit (JA-20) until some time after March 26, 1963, the date on which Vaccaro's original patent was granted (JA-20 and exhibit B).

fice will reject a re-presented claim on a ground not asserted against the claim during prosecution of the original patent application. Of course, the Patent Office may also reject the newly asserted claim which the patentee hopes to secure by reissue.

In any event, a reissue applicant who persists in his attempt to secure certain claims (including original patent claims which are rejected in the reissue application) by reissue pursuant to 35 USC 251 (Br-5) after the claims have been twice rejected, must first appeal to the Board of Appeals under 35 USC 134, and if unsuccessful there, he may seek court review under 35 USC 141-144 by the Court of Customs and Patent Appeals, or under 35 USC 145 by the District Court for the District of Columbia. Election of the latter course of action may, if unsuccessful, lead to an appeal to this Court. Such appeal would, because of the time consumed by the appeal process, subject the reissue applicant to the "adverse factors" noted above. It follows that a reissue application is subject to "adverse factors" *whether it becomes involved in an interference or not.*

Rule 176 (Br-6) further provides that a reissue application "will be examined in the same manner as original applications, subject to the rules relating thereto, excepting that division will not be required".⁷ It is apparent that, for all practical purposes, especially since the record does not show that the Patent Office ever considered making a requirement for division in the Vaccaro reissue application, the latter applica-

⁷ Thus, Rule 176 is a substantial implementation of 35 USC 251, second paragraph (Br-5).

tion was subject to the same treatment in the Patent Office, as an original application. It follows that so far as procedure within the Patent Office is concerned, there is no basis for considering a reissue application to be "unusual". In order to support the "unusual case" contention, appellant invokes the "adverse factors" arguments. Overlooking the point made above that equitable factors need not be considered in this appeal, and considering these aspects on their merits, such factors involve risks which Celanese must knowingly have assumed when it copied claim 13 in modified form from the Owen patent for interference purposes, and which it would have assumed even if the reissue application did not include such a claim, as explained above.

In the instant case, appellant's reissue application, as of the time of filing this brief, has been pending in excess of 4 years and 9 months (Complaint, paragraph 4, JA-4). It would be idle to speculate when a final judgment will be rendered by the New York Court. What is significant here is that the filing of a reissue application may involve the loss of a substantial portion of the unexpired portion of the original patent terms and the accrual of intervening rights, regardless of whether the application becomes involved in an interference or not. Such "adverse factors" are the inevitable result of the commission of an "error without any deceptive intention" (Section 251), and constitute an inherent deprivation the owner of a patent must undergo, if he seeks reissue, regardless of whether the reissue application becomes involved in an interference or not.

Hence, as a practical matter, a reissue applicant who becomes involved in an interference with an original patentee, may expect to be in a worse position, with respect to the "adverse factors" cited above, than one who does not become involved in an interference. It is also to be noted that in some situations, the "adverse factors" may assume more serious proportions in the case of the reissue (first) applicant who does not become involved in an interference, than in the case of one (second) who does become so involved. This can happen where the first resorts to court review and the second prevails as a result of a priority award by the Board of Patent Interferences of which court review is not sought by the losing party.

2. The Argument Based on Sections 251 and 135

Celanese begs the question when it asserts that "Section 251 is controlling as to the right to a reissue patent" (Br-13), since that assertion presupposes that the reissue applicant is the first inventor of the subject matter involved. However, that is the matter in dispute in the Section 146 Civil Action. The related assertion (Br-13) that "there is no clear and unambiguous language in Section 135 foreclosing the grant of a reissue patent during pendency of a Section 146" action, is entitled to little or no consideration, since the instant issue has arisen because of the very absence in Section 135 of clear and unambiguous language covering the instant factual situation, and because of the concurrent rulings of the First Assistant Commissioner and the District Court that the in-

terpretation of Section 135 by a majority of this Court, is applicable to the facts of the instant case.

The paramount question here is whether the fact that the winner of the interference in the Patent Office is a reissue applicant presents such an unusual case that *Monsanto* is not controlling, and not whether the Court can determine Celanese's right to relief by considering only the language of Sections 251 and 135. It should be obvious from the foregoing discussion that the contention denying that Section 135 is a penal statute and other related contentions (Br-13, second and third paragraphs), are irrelevant to the issue before the Court.

3. The Public Interest Argument

Celanese's position on this question essentially, is that granting the relief requested will not harm the public in any way. This position argued at Br-11, 12, 14, is based on an assumed issuance of an order restraining appellant from filing an infringement suit based on a claim in a Vaccaro reissue patent to be issued, until final judgment by the New York Court, if the relief sought herein is granted (the paragraph bridging Br-11, 12), and on the assertion that "courts may and do stay infringement actions, based on an interfering patent claim until a final favorable judgment in the interference proceeding" (Br-11, citing authorities).

By offering its proposed restraining order (JA-37), Celanese recognized the possibility of multiple harassment of the public on the basis of the Owens patent and a Vaccaro reissue patent, by way of noti-

fications of intent to sue for infringement, as well as by the actual filing of complaints for infringement. It is quite obvious that the restraining order would not prevent Celanese from notifying a competitor other than duPont of an intention to sue for infringement upon the granting of a reissue patent to Celanese, and that if such notification were reinforced by similar notification from duPont, such competitor might be dissuaded from practicing a process which did not clearly infringe the process of the interference count. To that extent the public would be deprived of the goods and/or services which might otherwise have been available to it.

In view of these considerations, it would appear that appellant has not established that the public interest would not be harmed by the grant of a reissue patent to appellant containing Owens' claim 13 in modified form. The pertinent argument (Br-11 to 14) accordingly lacks merit.

4. The Monsanto Decision is Controlling

The majority opinion in *Monsanto* was based in part upon the premise that "the constitutional grant of power to the Federal Government is couched in terms of exclusivity" and that the existence of two patents outstanding at the same time on the same subject matter is "a contradiction to the whole thesis of patent issuance". Celanese refers to duPont's interest as a "shadowy exclusivity" (Br-13) of right under the Owens patent. Here, Celanese must have in mind the possibility that such exclusivity would be destroyed if the final judgment in the Section 146 action

is in its favor. The weakness of that position is that it overlooks certain parallels between the factual situations presented by this case and *Monsanto*.

If the losing party here before the Board of Patent Interferences (duPont) possesses a "shadow exclusivity" of right under the Owens patent, Monsanto Company (the losing party) likewise possessed a "shadowy exclusivity" of right under its patent, and for the same reason: that the pertinent claim of the patent would be voided in the event of an outcome of the Section 146 action unfavorable to the patentee.

The foregoing paragraph clearly suggests a number of parallel facts in the two cases. Each involved an interference wherein an applicant had copied claims from a patent. The Board of Patent Interferences awarded priority to the applicant in each case. In each case, court review of the decision of the Board was sought under Section 146.⁸ In each case the District Court had before it the question of whether the Commissioner of Patents could properly issue a patent to the winning party (an applicant)⁹ in an interference proceeding in the Patent Office. It should not be overlooked that both the Kamp et al. original appli-

⁸ In *Monsanto*, the losing party before the Board appealed to the Court of Customs and Patent Appeals under 35 USC 141, but Kamp et al. elected to have all further proceedings conducted by way of a Civil Action *de novo* in the District Court under Section 146, as permitted by Section 141. The fact that review of the award of priority was sought in the District Court in *Monsanto*, and in the New York Court in the instant case, has no bearing on the issue before this Court.

⁹ *Monsanto* involved an original applicant, and this case involves a reissue applicant, as noted above.

cation and the Vaccaro reissue application are included among the "unusual cases" listed in Manual Section 708.01,¹⁰ and that the Patent Office has established no priorities among the categories listed in that section, so that the Patent Office must have regarded each application as equally "unusual".

What is most important is that notwithstanding the presumption of correctness of decisions of the Board of Patent Interferences, *Morgan v. Daniels*, 153 U.S. 120, 124, 125, *Philco Corp. v. Radio Corp. of America*, 276 F. Supp. 24, 26, 155 USPQ 372, 374, which presumption applied both in *Monsanto* and here, such decisions *may be* overturned by final judgment in proceedings under 35 USC 146. So long as Section 146 proceedings are pending, so that a final determination of who is the first inventor has not been made, it appears repugnant to the Constitutional concept of exclusivity of the patent right, to issue a patent, whether reissue or original, to a party involved in interference with a patentee in an action under Section 146. The present argument is, of course, based on the premise that the issue before the Court is one of law only, a premise to which appellant subscribes (Br-15).

¹⁰ See categories (c) and (f) of Manual Section 708.01.

CONCLUSION

It is respectfully submitted that the District Court properly granted defendant-appellee's motion to dismiss the complaint on the ground that *Monsanto* is controlling, and that since appellant has failed to demonstrate reversible error by the Court below, the order of that Court should be affirmed.

Respectfully submitted,

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August, 1968



REPLY BRIEF FOR APPELLANT

United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 22,093

CELANESE CORPORATION, *Appellant*

v.

EDWARD J. BRENNER, COMMISSIONER OF PATENTS, *Appellee*

Appeal From the United States District Court for the
District of Columbia

United States Court of Appeals

for the District of Columbia Circuit

FILED SEP 9 1968

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United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 22,093

CELANESE CORPORATION, *Appellant*

v.

EDWARD J. BRENNER, COMMISSIONER OF PATENTS, *Appellee*

Appeal From the United States District Court for the
District of Columbia

REPLY BRIEF FOR APPELLANT

I. The Vaccaro Reissue Application Does Present an Unusual Case

The Commissioner presents a classic *non-sequitor* in arguing that since the Manual of Patent Examining Procedure lists some nine special cases, it somehow negates the fact that a reissue application included in the nine presents an unusual case.

We are concerned here only with a reissue application which both the Commissioner and the Court below recog-

nized presents equitable considerations that do not attach to an original application such as was before this Court in the *Monsanto* case. It is at this critical point that the attempted parallel breaks down.

Perhaps there may be other unusual cases but we are not here confronted with them, much less do we have a judicial recognition that any other case presents the equitable considerations which characterize the case at bar.

In his labored attempt to negate the fact that an unusual case is here presented, the Commissioner overlooks the following cogent facts of this case.

1. The Celanese (Vaccaro) patent 3,082,735 has an effective Patent Office filing date of *December 31, 1956*, based on Vaccaro parent application Serial No. 631,583 (JA 5, 6).
2. duPont's Owens patent 3,068,528 issued on an application *filed May 3, 1960* (JA 20), that is, substantially *three and one-half years* subsequent to the effective Patent Office record, i.e., filing date of the Vaccaro patent.
3. duPont's patentee Owens was placed under order to show cause in Interference 94,608 *for failure even to allege a date of invention prior to the effective December 31, 1956 Patent Office record date of the Vaccaro patent* (JA 6).
4. Under the authority of *Alexander Milburn Co. v. Davis-Bournonville Co.*, 270 U.S. 390; 46 S. Ct. 324 (1926), the Vaccaro patent 3,082,735 is prior art as of its December 31, 1956 effective filing date against the duPont Owens patent 3,068,528 which is devoid of any valid exclusivity.

A reissue application based on an original patent effectively predating the interfering patent by three and one-

half years, with a record reflecting that the interfering patentee can not even allege an invention date prior to the effective record date of the reissue applicant's original patent indeed presents an unusual case having no parallel with the fact situation before this Court in the *Monsanto* case.

II. Appellee's Defensive Argument as to Absence of Patent Office Inadvertence Is Not Germane

It is, of course, true, as the Commissioner points out (Appellee Br. 17), that during "the three month period which elapsed between December 18, 1962, the date of Owens' patent and March 26, 1963, the date of Vaccaro's patent, Vaccaro could have copied Owens' claim 13 in modified form. . . ." Admittedly this inadvertence contributed to the issuance of a second patent irrespective of any inadvertence on the part of the Commissioner to the labored negation of which most of appellee's brief is directed. Significantly, the Commissioner recognizes " . . . one inadvertence in this case, that of 'the reissue applicant in failing to secure in his original patent adequate protection for his disclosed invention'" (Appellee Br. 18). This is the qualifying inadvertence for a reissue under Section 251.

III. The Commissioner's Arguments About Reexamination of a Reissue Application Are Beside the Point

In this case, the Examiner found the interfering claim allowable in the Vaccaro reissue application, and the Board of Patent Interferences upheld that finding. We do not understand that the Commissioner is here repudiating this finding.

It must be borne in mind, however, that the relief here sought would in no wise foreclose the Commissioner from such further ex parte examination of the Vaccaro reissue application as may be appropriate. On the record here, Appellant has survived the risks incident to a reissue

application except the harshly inequitable one that would flow from an acceptance by this Court of Appellee's contentions.

IV. The Public Interest Is Not in Jeopardy

The extent of the public interest with respect to notice of infringement is spelled out in 35 U.S.C. § 287, which reads:

“§ 287. Limitation on damages; marking and notice

Patentees, and persons making or selling any patented article for or under them, may give notice to the public that the same is patented, either by fixing thereon the word 'patent' or the abbreviation 'pat.', together with the number of the patent, or when, from the character of the article, this can not be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.”

This is a penal statute and its provisions are more specifically dealt with by the Supreme Court in *Wine Ry. Appliance Co. v. Enterprise Ry. Equipment Co.*, 297 U.S. 387; 56 S. Ct. 528 (1936) wherein the Court said:

“If respondent's position is correct, process patents and patents under which nothing has been manufactured may be secretly infringed with impunity, notwithstanding injury to owners guilty of no neglect. Only plain language could convince us of such an intent.

“The idea of a tangible article proclaiming its own character runs through this and related provisions. Two kinds of notice are specified—one to the public by

a visible mark, another by actual advice to the infringer. The second becomes necessary only when the first has not been given; and the first can only be given in connection with some fabricated article. Penalty for failure implies opportunity to perform."

As the Commissioner points out, the common claim of Owens and Vaccaro is a process claim. As such, no notice of infringement by the patentee is required. The public, including any actual or prospective infringer, already is on notice of a patent containing the common claim of Owens and Vaccaro since, as the Supreme Court also said in the *Wine Ry. Appliance* case ". . . issuance of a patent and recordation in the Patent Office constitute notice to the world of its existence." Realistically, patentees do not invite declaratory judgment suits by giving notices of infringement uncalled for by Section 287.

Thus, contrary to the Commissioner's arguments, the granting of the relief sought by Celanese will not further jeopardize the public interest. To the extent the public is jeopardized at all, it occurred upon issuance of the du-Pont Owens patent. No further jeopardy will occur by a present reissue of the Vaccaro patent.

SUMMARY

Before the Court below the Commissioner cited and relied on *Yuba Consolidated Gold Fields v. Kilkeary*, 206 F.2d 884 (CA 9, 1953) (TR 10), however, on this appeal he says, "Appellant's citation of the Yuba case (Br-14), which involves equity jurisdiction, accordingly lacks pertinence." (Appellee Br. 11).

The ingenious diversionary arguments advanced by Appellee in themselves bespeak the highly unusual character of the case presented here as to which the lower Court said:

"I think it is going to have to go back to a court which is provided for these *unusual* circumstances and see what they can do with it." [Emphasis added].

The relief sought is justified and we submit should be granted.

Respectfully submitted,

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